

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of

Application of Verizon New England Inc.,)	
Bell Atlantic Communications, Inc.)	
d/b/a Verizon Rhode Island NYNEX Long)	
Distance Company (d/b/a Verizon)	
Enterprise Solutions), Verizon Global)	CC Docket No. 01-324
Networks, Inc. (collectively Verizon))	
Pursuant to Section 271 of the)	
Telecommunications Act of 1996)	
To provide In-Region, InterLATA Services)	
in the State of Rhode Island and Providence)	
Plantations)	

**REPORT OF THE RHODE ISLAND PUBLIC UTILITIES COMMISSION ON
VERIZON RHODE ISLAND'S COMPLIANCE WITH SECTION 271 OF THE
TELECOMMUNICATIONS ACT OF 1996**

I. INTRODUCTION

The Telecommunications Act of 1996 ("Act") requires the Federal Communications Commission ("FCC") to act on the application of Verizon New England Inc., d/b/a Verizon Rhode Island ("VZ-RI"), for authorization to offer in-region, interLATA telecommunications services in Rhode Island within 90 days after receiving VZ-RI's request for such authorization. In connection with the FCC's review of such application, the Act requires the FCC to consult with the Rhode Island Public Utilities Commission ("RIPUC") to verify VZ-RI's compliance with the requirements of subsection 271(c) of the Act.¹

¹ 47 USC. § 271(d)(2)(B) requires the FCC to consult with the state regulatory commission of any state that is the subject of a § 271 application to verify the Bell Operating Company's compliance with the requirements of subsection 271(c) of the Act.

On July 25, 2001, VZ-RI made a compliance filing² with the RIPUC for the purpose of verifying VZ-RI's compliance with the competitive checklist contained in § 271 of the Act, a prerequisite to VZ-RI's filing for authorization from the FCC to provide in-region, interLATA service in Rhode Island. The purpose of this Report is to provide the FCC with the analysis used by the RIPUC to evaluate whether VZ-RI has met the competitive checklist contained in § 271 and the provisions of § 272 of the Act. Based on the record in this proceeding, the RIPUC concludes that VZ-RI has met the requirements of sections 271 and 272 of the Act, and therefore, recommends that the FCC grant VZ-RI's application for authorization to provide in-region, interLATA services in Rhode Island.³

II. APPLICABLE LAW

Section 271 of the Act requires the FCC to determine whether VZ-RI has “fully implemented the competitive checklist in subsection (c)(2)(B).” Specifically, VZ-RI has the burden of demonstrating that it is offering interconnection and access to network elements to competitive local exchange carriers (“CLECs”) on a non-discriminatory basis.⁴

Section 271 of the Act requires VZ-RI to demonstrate all of the following: (1) that VZ-RI has entered into binding agreements with one or more competing providers, if

² VZ-RI's July 25, 2001 compliance filing with the RIPUC is hereinafter referred to in its entirety as “Verizon RI 271 Filing.”

³ Application by Verizon New England, Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to provide In-Region, InterLATA Services in Rhode Island, CC Docket No. 01-324 (filed with the FCC November 26, 2001).

⁴ Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions) And Verizon Global Networks Inc. For Authorization to Provide In-Region, InterLATA Services in Massachusetts, CC Docket No. 01-9, Memorandum Opinion and Order, FCC 01-130 (Rel. April 16, 2001) (“**Massachusetts Order**”), ¶ 11.

proceeding under § 271(c)(1)(A), or Track A; (2) that VZ-RI has successfully satisfied the 14 items of the competitive checklist of § 271(c)(2)(B); (3) that VZ-RI will carry out, pursuant to § 271(d)(3)(B), its interLATA authority through a separate affiliate as required by § 272; and (4) that granting VZ-RI's application is consistent with the public interest, convenience, and necessity under § 271(d)(3)(C).⁵

Additionally, before making a determination under § 271, the FCC must consult with both the United States Attorney General and the state commission of the state that is the subject of the application for in-region, interLATA authority.⁶ If a Bell Operating Company ("BOC") is filing under Track A, the state commission's inquiry should focus on whether the BOC has entered into one or more interconnection agreements with facilities-based competitors that collectively serve residential and business customers and whether the access or interconnection provided by the BOC includes unbundled network elements and satisfies the competitive checklist of § 271(c).⁷

For the benefit of the FCC, the RIPUC will provide a review and analysis of VZ-RI's compliance with the requirements of § 271 and consider whether approval of VZ-RI's application is in the public interest. Finally, although not explicitly required by the Act, VZ-RI's performance monitoring plan will be discussed as well. Based on the evidence presented, the RIPUC concludes that a performance monitoring plan is essential

⁵ Application of SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas, CC Docket No. 00-65, Memorandum Opinion and Order, FCC 00-238 (Rel. June 30, 2000) ("**SWBT Texas Order**"), ¶ 9.

⁶ 47 U.S.C. § 271(d)(2)(A) and (B).

⁷ In the Matter Of Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in Michigan, CC Docket 97-137, Memorandum Opinion and Order, FCC 97-137 (Rel. August 19, 1997) ("**Ameritech Michigan Order**"), 12 FCC Rcd 20543, ¶ 70.

to enable the RIPUC to evaluate VZ-RI's continuing compliance with § 271 requirements if VZ-RI is authorized to provide in-region, interLATA service.

The FCC explained the role of a state commission in the FCC's process of evaluating a BOC's § 271 application as follows:

We will look to the state to resolve factual disputes wherever possible. Indeed, we view the state's and Department of Justice's roles to be similar to that of an "expert witness." Given the 90-day statutory deadline to reach a decision on a section 271 application, the [FCC] does not have the time or the resources to resolve the enormous number of factual disputes that inevitably arise from the technical details and data involved in such a complex endeavor. Accordingly, as discussed above, where the state has conducted an exhaustive and rigorous investigation into the BOC's compliance with the checklist, we may give evidence submitted by the state substantial weight in making our decision.⁸

The RIPUC has conducted a thorough review of VZ-RI's 271 Filing and has conducted discovery and hearings to fully evaluate VZ-RI's compliance with the § 271 competitive checklist requirements. The Rhode Island Division of Public Utilities and Carriers ("RIDPUC") submitted pre-filed testimony of Thomas H. Weiss, president of Weiss Consulting, Inc. In making this Report to the FCC, the RIPUC has relied upon the RIDPUC's testimony and the attachments thereto. The RIPUC also has reviewed and considered the declarations and other filings by VZ-RI and other parties. The decision of the RIPUC is based upon the entire record developed in this proceeding.

III. PROCEDURAL HISTORY

On September 15, 2000, the RIPUC opened Docket No. 3195 to address the Carrier-to-Carrier Performance Standards and Reports for Rhode Island ("C2C Guidelines" or "C2C Performance Reports") filed by VZ-RI. On October 20, 2000, the RIPUC conducted a technical record conference to discuss the C2C Guidelines with VZ-RI and other interested parties. In anticipation of its §271 Filing with the RIPUC, VZ-RI

argued that, rather than conduct full independent Operational Support Systems (“OSS”) testing in Rhode Island, the RIPUC should accept the OSS test results produced during the Massachusetts §271 proceeding because, VZ-RI contended, the Rhode Island and Massachusetts OSS are the same.⁹ In order to rely upon the results of the Massachusetts OSS tests, however, the RIPUC required assurance that the OSS for the two states were, in fact, the same. Therefore, the RIPUC retained KPMG Consulting (“KPMG”), an independent auditing firm, to perform “sameness” testing to determine whether the Verizon’s OSS systems, interfaces and processes in Rhode Island were the same as those in Massachusetts. In addition, because of concerns raised by a number of CLECs doing business in Rhode Island, the RIPUC order KPMG to conduct additional stand-alone tests in three OSS areas not included in the Massachusetts OSS test: line loss, line sharing and electronic jeopardies.

OSS testing for Rhode Island began in December 2000. As directed by the RIPUC, VZ-RI began filing its monthly C2C Performance Reports in January 2001. On February 16, 2001, VZ-RI filed changes to its Rhode Island C2C Guidelines to incorporate changes that had recently been ordered to VZ-NY’s C2C Guidelines by the New York State Public Service Commission (“NYPSC”). Rhode Island OSS testing continued throughout the spring of 2001 and in July 2001, KPMG filed its final draft Rhode Island OSS evaluation report with the RIPUC. KPMG’s report concluded that there was a “high degree of sameness” between the OSS for Rhode Island and

⁸ SWBT Texas Order, at ¶ 5.

⁹ VZ-RI contended that the FCC has endorsed the use of evidence from related jurisdictions to demonstrate compliance with the Act. Verizon RI 271 Filing-OSS Declaration, at ¶ 24.

Massachusetts.¹⁰ Where the testing resulted in different scores, the result was typically better in Rhode Island than in Massachusetts. With regard to the three stand-alone tests, KPMG reported that VZ-RI had passed the line loss and line sharing tests, but the electronic jeopardy test resulted in inconclusive results because the sample size was too small to glean accurate results. On July 25, 2001, the day after KPMG filed its draft final report, VZ-RI made its 271 compliance filing with the RIPUC.

While OSS testing for Rhode Island was still underway, VZ-RI filed a proposed Rhode Island Performance Assurance Program (“PAP”) with the RIPUC, modeled after the PAPs adopted in New York and Massachusetts. The RIPUC opened Docket No. 3256 to investigate the merits of the proposed PAP. The RIPUC noted that while the filing of a PAP is not a prerequisite to VZ-RI’s entry into the interLATA market in Rhode Island, “[t]he [FCC] has, however, stated that the fact that a BOC will be subject to performance monitoring and enforcement mechanisms would constitute probative evidence that the BOC will continue to meet its section 271 obligations and that its entry would be consistent with public interest.”¹¹

On July 23, 2001, AT&T filed an alternative to Verizon’s PAP, following which the RIPUC conducted two additional technical record conferences: the first on July 23, 2001, for Verizon to present information regarding its proposed PAP, and the second on July 30, 2001, for AT&T to present information regarding its proposed Performance Incentive Plan (“PIP”). Parties were then given the opportunity to comment on both performance plans. The RIPUC then conducted a public evidentiary hearing on both the

¹⁰ “Verizon Rhode Island OSS Evaluation Project, Version 2.0,” was filed on October 16, 2001, (“**KPMG RI Report**”) p. 13.

proposed PAP and C2C Guidelines on October 4, 2001 at the offices of the RIPUC, 89 Jefferson Blvd, Warwick, Rhode Island.¹² The RIPUC ultimately approved VZ-RI's PAP and C2C Guidelines, with certain modifications.¹³

On July 25, 2001, VZ-RI filed its Checklist, OSS and Measurements Declarations and supporting documentation with RIPUC ("Verizon RI 271 Filing") for the purpose of verifying Verizon's compliance with the requirements of § 271 of the Act, a prerequisite to VZ-RI's filing for FCC authorization to provide in-region, interLATA service in Rhode Island. The RIPUC opened Docket No. 3363 to conduct a thorough evaluation of VZ-RI's filing. The participants in RIPUC Docket No. 3363 were as follows: AT&T Communications of New England, Inc. ("AT&T"), Conversent Communications of Rhode Island, LLC ("Conversent"); Covad Communications Company ("Covad"); Cox Rhode Island Telcom, LLC ("Cox"); CTC Communications, Inc. ("CTC"); Global NAPs, Inc. ("GNAPs"); Sprint Communications Company, LP ("Sprint"); WorldCom, Inc. ("WorldCom"); and the RIDPUC.

After an opportunity for discovery and comments by all parties involved, the RIPUC conducted public evidentiary hearings at the RIPUC's offices on October 9-12 and October 15, 2001 regarding VZ-RI's compliance with the § 271 checklist requirements.¹⁴ The following appearances were entered: Bruce P. Beausejour, Esq.,

¹¹ Application by Bell Atlantic New York For Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York CC Docket No. 99-295, Memorandum Opinion and Order, FCC 99-404 (Rel. December 22, 1999) ("**New York Order**"), ¶ 429.

¹² The October 4, 2001 RIPUC hearing primarily focused on two issues: (1) whether the Rhode Island PAP, which is modeled after the New York and Massachusetts PAPs, contains at least the same dollars at risk and the same safeguards as the PAPs in the other two states; (2) whether the PAP's MOE methodology provides sufficient incentive for Verizon to perform adequately and enough safeguards for the CLECs in Rhode Island.

¹³ See RIPUC Order No. 16809 (issued December 3, 2001).

¹⁴ Of the parties other than VZ-RI participating in Docket 3363, only the RIDPUC, Conversent and CTC filed Declarations with the RIPUC. At the hearings Conversent chose to mark its Declarations for identification purposes only. The RIDPUC and CTC requested that their Declarations be admitted in full.

Keefe B. Clemons, Esq., and Donald C. Rowe, Esq. for VZ-RI; Scott A. Sawyer, Esq. for Conversent; Eric J. Branfman, Esq. for CTC; Craig Eaton, Esq. for GNAPs; William Lehman, Esq. for WorldCom; Leo Wold, Esq., Special Assistant Attorney General, on behalf of the RIDPUC; Steven Frias, Esq., Executive Counsel to the RIPUC and Cynthia G. Wilson, Esq., Senior Legal Counsel to the RIPUC.

IV. VZ-RI COMPLIANCE WITH § 271(C)(1)(A) - PRESENCE OF FACILITIES-BASED COMPETITION

A. Applicable Law

There are two ways VZ-RI's application to provide interLATA services in Rhode Island may be approved. First, VZ-RI, as a BOC, must show that it satisfies the requirements of either § 271(c)(1)(A) (Track A) or § 271 (c)(1)(B) (Track B).¹⁵ VZ-RI has filed its application under Track A. Therefore, VZ-RI must fulfill four requirements: it must demonstrate that (1) it has entered into a binding interconnection agreement with one or more CLECs that has been approved by the RIPUC; (2) the agreements must specify terms and conditions under which VZ-RI is providing access and interconnection to its network facilities with the network facilities of one or more CLECs; (3) local telephone exchange service is being provided to residential and commercial customers by one or more unaffiliated CLECs; and (4) the service may be offered either exclusively over the CLECs own facilities or "in combination with the resale of the telecommunications services of another carrier."¹⁶ The FCC has previously concluded that when a BOC relies on more than one competing provider to satisfy § 271(c)(1)(A), each carrier need not provide service to both residential and commercial customers.¹⁷

¹⁵ 47 U.S.C. § 271(d)(3)(A).

¹⁶ Ameritech Michigan Order, ¶¶ 70-72.

¹⁷ Id. at ¶ 82.

B. VZ-RI's Position

It is VZ-RI's position that it has fulfilled the four requirements of Track A. As of June 1, 2001, 104 CLECs were providing service in Rhode Island through 104 binding interconnection agreements and 45 resale-only agreements between VZ-RI and unaffiliated competing providers of telephone exchange service that have been approved by the RIPUC.¹⁸ VZ-RI has stated that as of May 31, 2001, CLECs had access to 97.7% of VZ-RI's residential lines and 99.3% of VZ-RI's business lines.¹⁹ In addition, VZ-RI provided testimony indicating that as of September 2001, VZ-RI had provided 23 CLECs with 214 physical collocation arrangements and there were 25,957 resold lines in service in Rhode Island.²⁰

C. CLECs' Comments

No CLEC has filed any declarations or made any comments at the hearings disputing VZ-RI's compliance with § 271 (c)(1)(A).

D. RIDPUC's Position

The RIDPUC noted in its filing with the RIPUC that VZ-RI is a party to more than 106 RIPUC-approved interconnection agreements and 45 RIPUC-approved resale-only agreements.²¹

E. RIPUC Findings and Recommendation

The RIPUC finds that VZ-RI has demonstrated that it has complied with the requirements of § 271(c)(1)(A). First, the RIPUC has approved over 104 binding interconnection agreements entered into between VZ-RI and unaffiliated CLECs.

¹⁸ Verizon RI 271 Filing - Checklist Declaration, ¶ 384.

¹⁹ Id. at ¶ 74.

²⁰ Id. at ¶¶ 73-74, 385.

²¹ Direct Testimony of Thomas H. Weiss ("RIDPUC's Exhibit 1"), p. 3.

Second, the interconnection agreements specify the terms and conditions under which VZ-RI is allowing unaffiliated CLECs access to its network facilities. Third, local telephone exchange service is being provided to both business and residential customers by at least one unaffiliated CLEC. Fourth, CLECs are providing local exchange service to customers in Rhode Island either exclusively over their own facilities or in combination with resale.²² Finally, the RIPUC notes that resale competition is occurring at approximately a 3:1 ratio of business lines to residential lines. For these reasons, the RIPUC finds that VZ-RI has satisfied the requirements of § 271(c)(1)(A).

V. CHECKLIST COMPLIANCE

Once VZ-RI has demonstrated that it has complied with § 271(c)(1)(A), VZ-RI must also demonstrate that “such access and interconnection meets the requirements of” the 14-point competitive checklist set forth in § 271(c)(2)(B).²³ The FCC has indicated that the burden is on VZ-RI to “demonstrate that it is offering interconnection and access to network elements on a nondiscriminatory basis.”²⁴ In past orders regarding 271 applications, the FCC has looked favorably on the use of C2C metrics as an appropriate means of measuring a BOC’s performance to determine compliance with the requirements of the checklist items.²⁵ Where VZ-RI has not met the standards set forth in the C2C metrics, the RIPUC and ultimately, the FCC, must determine whether the “miss” has “competitive significance in the marketplace,” or whether it is simply an isolated incident of less than adequate performance.²⁶ The RIPUC notes that the FCC has indicated that “[i]solated cases of performance disparity, especially when the margin of

²² See e.g., Responses of GNAPs and CTC to the Rhode Island Division of Public Utilities’ Initial Set of Information Requests to CLECs.

²³ 47 U.S.C. § 271(c)(2)(A)(ii).

²⁴ Massachusetts Order, ¶ 11.

disparity or number of instances measured is small, will generally not result in findings of checklist noncompliance.”²⁷ Therefore, in instances where VZ-RI’s performance is questionable, the RIPUC has examined the performance in the context of “the totality of the circumstances and information before us” to determine whether VZ-RI has complied with the statutory requirements of that checklist item and whether we recommend that the FCC also find VZ-RI to be in compliance.²⁸

A. CHECKLIST ITEM 1 – INTERCONNECTION

1. Applicable Law

Section 271(c)(2)(B)(i) of the Act requires VZ-RI to provide “interconnection in accordance with the requirements of sections 251(c)(2) and 252(d)(1).”²⁹ between its network and the network of any requesting telecommunications carrier--

(A) for the transmission and routing of telephone exchange service and exchange access; (B) at any technically feasible point within the carrier’s network; that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection; and (D) on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, in accordance with the terms and conditions of the agreement and the requirements of this section and section 252.³⁰

Though collocation is not explicitly included in the Act’s Section 271 checklist, Section 251(c)(6) states that an ILEC such as VZ-RI has the “duty to provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier.” Section 251(c)(6) requires ILECs to provide physical collocation unless it can be shown that this type of collocation is not

²⁵ Id. at ¶ 13 (citations omitted).

²⁶ Id.

²⁷ Id. at ¶ 122.

²⁸ Id.

practical for technical reasons or because of space limitations. In that event, ILECs must provide for virtual collocation of interconnection equipment.³¹

With respect to the quality of interconnection, the FCC has concluded that the level of quality must be at least equal to that which the ILEC provides itself, a subsidiary, an affiliate, or any other party.³² To comply with the equal-in-quality requirement in section 251, the FCC's rules require an ILEC to design and operate its interconnection facilities to meet "the same technical criteria and service standards" that are used for designing interoffice trunks within its own network.³³ In its Local Competition First Report and Order, the FCC identified trunk group blockage and transmission standards as indicators of an ILEC's technical criteria and service standards.³⁴

In its Local Competition First Report and Order, the FCC found the requirement to provide interconnection on terms and conditions that are "just, reasonable, and nondiscriminatory" to mean that an ILEC must provide interconnection to a CLEC in a fashion that is no less efficient than the manner in which the ILEC provides the equivalent function to its own retail operations.³⁵ The FCC's rules define this obligation to include the ILEC's installation time for interconnection service and its provisioning of two-way trunking arrangements.³⁶ In addition, the FCC has determined that a measure of repair time for troubles affecting interconnection trunks is useful for determining whether

²⁹ 47 U.S.C. § 271(c)(2)(B)(i)

³⁰ 47 U.S.C. § 251(c)(2).

³¹ 47 U.S.C. § 271(c)(6).

³² New York Order, ¶ 64.

³³ New York Order, ¶¶ 64-5. See 47 C.F.R. 51.305 (a)(3).

³⁴ New York Order, ¶ 64, citing Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499, ¶ 209 (1996) ("**Local Competition First Report and Order**").

³⁵ New York Order, ¶ 65.

³⁶ Id.

a BOC provides interconnection service under “terms and conditions that are no less favorable than the terms and conditions” the BOC provides to its own retail operations.³⁷

2. VZ-RI’s Position

A. Interconnection Generally

VZ-RI asserted that it makes interconnection available at six (6) points: (1) the line-side of the local switch; (2) the trunk-side of a local switch; (3) the trunk interconnection points for a tandem switch; (4) central office cross connect points; (5) out-of-band signaling transfer points necessary to exchange traffic at these points and to access call-related databases; and (6) the points of access to unbundled network elements.³⁸

VZ-RI stated that interconnection at technically feasible points other than those identified above in the VZ-RI network, as well as those specified in individual interconnection agreements, is available upon request through a Bona Fide Request (“BFR”) process. The BFR process provides a CLEC the opportunity to request that VZ-RI deploy for the CLEC a capability or facility not normally available in VZ-RI’s network. The process also allows VZ-RI to determine whether the request is technically feasible, and if so, the price, terms, and conditions under which it can be offered. A BFR is provided for in interconnection agreements. VZ-RI has not received any BFRs associated with interconnection arrangements.³⁹

VZ-RI indicated that CLECs may interconnect with its network for the transport and termination of traffic in a variety of ways. VZ-RI provides interconnection to CLECs through collocation arrangements, through the use of dedicated transport facilities

³⁷ Id.

³⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 28.

from the carrier's premises, and through other technically feasible forms of interconnection. VZ-RI also maintained that it is in compliance with Section 251(c)(6) of the Act, by supporting the provision of both physical and virtual collocation.⁴⁰

VZ-RI provides interconnection to out-of-band Signaling Transfer Points ("STPs") of the Signaling System 7 ("SS7") such that stand-alone access to the VZ-RI's STPs is available with or without VZ-RI-provided signaling link transport. In addition, VZ-RI exchanges Custom Local Area Signaling Services ("CLASS") related Transactional Capabilities Application Part ("TCAP") messages with CLECs to facilitate the interoperability of out-of-band signaling features and services between the carriers' end users. This allows a CLEC to offer call feature options including call set-up and CLASS services, as well as access to databases. CLECs may interconnect their switches to VZ-RI's STPs via Access Link ("A-Link") connections or they can interconnect their STP's to VZ-RI's STPs via Diagonal Link ("D-Link") connections, depending on the option that best meets their network needs.⁴¹

B. Interconnection Trunking

VZ-RI indicated that it has also made available two-way measured-use trunking for CLECs that want this option in Rhode Island. These trunks are available pursuant to interconnection agreements. To date, VZ-RI has 456 two-way measured trunks in service with the CLECs.⁴²

In addition to providing traditional 56 Kbps interconnection trunks, VZ-RI also noted that it provides CLECs with 64 Kbps Clear Channel interconnection trunks. These

³⁹ Id. at ¶ 29.

⁴⁰ Id. at ¶ 30.

⁴¹ Id. at ¶ 31. Non-discriminatory access to databases is further discussed in Checklist Items 7 and 10.

⁴² Verizon RI 271 Filing – Checklist Declaration, ¶ 33.

64 Kbps Clear Channel trunks use a signaling format that makes available an additional 8 Kbps of bandwidth for Integrated Services Digital Network (“ISDN”) transmission instead of using that bandwidth for communications between the switches at either end of the trunk. CLECs may use 64 Kbps Clear Channel trunk groups to connect to VZ-RI’s tandem switch, as well as to connect directly to VZ-RI’s end office switches.⁴³

VZ-RI stated that it provides interconnection trunking through interconnection agreements. VZ-RI maintained that its service offerings and operations processes are similar to those provided by Verizon New York (“VZ-NY”) and Verizon Massachusetts (“VZ-MA”), which the FCC found met Verizon’s responsibilities under the Act.⁴⁴

i. General Availability

VZ-RI asserted that the commercial volume of interconnection trunking it is providing for CLECs demonstrates that VZ-RI is meeting its interconnection obligations. At the end of July 2001, VZ-RI reported having approximately 46,710 local interconnection trunks in place with 15 CLECs. VZ-RI maintained that it has also been able to accommodate significant CLEC growth. VZ-RI pointed out that during 2000, it nearly doubled the number of interconnection trunks in service between its network and the networks of CLECs by adding approximately 20,700 interconnection trunks. About 60% of the interconnection trunks in service with CLECs were direct end-office trunks, connecting all of VZ-RI’s 20 host and stand-alone end offices directly to CLEC networks, and the other 40% were trunks between the VZ-RI tandem and CLECs.⁴⁵

⁴³ Verizon RI 271 Filing – Checklist Declaration, ¶ 34; In addition, VZ-RI stated that it provides interconnection to points of access to network elements. These arrangements are discussed below beginning in Subsection D. (collocation), and in Checklist Item 2.

⁴⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 36.

⁴⁵ *Id.* at ¶ 38; Verizon’s Post-Hearing Brief, p. 13.

VZ-RI asserted that another measure of interconnection growth, as well as the extent of local competition generally, can be found in the number of minutes of use VZ-RI exchanges with CLECs. In 2000, the volume of interconnection traffic exchanged between VZ-RI and CLECs nearly doubled, with VZ-RI's local interconnection trunks carrying an average of 239 million minutes of traffic each month. By mid-2001, the average number of minutes exchanged had risen further to roughly 270 million minutes per month.⁴⁶

VZ-RI maintained that it uses standard intervals when provisioning interconnection trunks for CLECs identical to those used by VZ-NY and VZ-MA. These intervals are comparable to those established for Access Service Requests ("ASRs") that VZ-RI uses in provisioning network trunking arrangements for interexchange carriers.⁴⁷

ii. Trunk Ordering

VZ-RI asserted that the record shows that it is providing Firm Order Confirmations ("FOCs") for trunk orders in a timely fashion. From October 2000 through August 2001, VZ-RI reported providing FOCs for Category 1 trunk orders in an average of 4.0 days, compared to the Category 1 FOC delivery standard of 10 business days. For Category 2 through Category 6 type trunk orders, VZ-RI indicated that it

⁴⁶ Verizon's Post-Hearing Brief, p. 13.

⁴⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 40. Under the supervision of the NYPSC, Verizon and CLECs developed a process to forecast CLEC demand for local interconnection trunking that was an integral part of the interconnection trunk provisioning process that was approved by the FCC for both New York and Massachusetts. VZ-RI uses this same process in Rhode Island. In connection with the forecasting process, VZ-RI offers trunk order intervals using a "six category approach," referred to as the "6 Category Trunk Report." The process also calls for carriers to project trunk requirements six months in advance of the first forecasted trunk service date. This six-month lead-time allows VZ-RI to plan, engineer, and construct trunk network infrastructure in anticipation of aggregated trunk demands. The importance of lead-time and the quality of CLEC forecasting can be readily seen in the fact that new trunk requirements for CLECs now exceed VZ-RI's own new local trunk requirements.

In Rhode Island, as in New York and Massachusetts, each category of trunk orders has its own provisioning interval. These intervals are based on whether the request is associated with a forecast as well as on the size and complexity of the trunk request. *Id.* at ¶¶ 41-43.

provides the FOC (which formally conveys the committed VZ-RI due date) sufficiently in advance of the date due to enable CLECs to complete the trunk provisioning on-time. For these types of trunk orders, the necessary provisioning information has generally already been communicated between the CLEC and VZ-RI to synchronize broader joint VZ-RI and CLEC work efforts.⁴⁸

iii. Trunk Provisioning

VZ-RI maintained that it is consistently meeting or exceeding its committed provisioning intervals for interconnection trunks in each of the six categories. These intervals compare favorably to the intervals that VZ-RI offers Interexchange Carriers (“IXCs”) for Feature Group D Switched Access trunks, both for smaller orders (forecasted additions of 192 trunks or less), as well as for larger (>192 trunks) and more complex orders, as well as for orders that are not forecasted. In addition, the VZ-RI’s C2C Performance Reports show that VZ-RI has consistently met the due dates for CLEC interconnection trunks during the January to August 2001 period.⁴⁹

iv. Maintenance and Repair

VZ-RI asserted that the interconnection it provides to CLECs is technically identical to the interconnection VZ-RI provides between the switches in its own local network. VZ-RI stated that it uses the same equipment, and in some cases shares exactly the same facilities, for CLEC and VZ-RI local traffic. VZ-RI asserted that it also maintains and repairs interconnection trunks in a nondiscriminatory manner by using the same equipment and personnel for CLEC and VZ-RI trunks.

⁴⁸ Verizon’s Post-Hearing Brief, p. 15; Verizon RI 271 Filing – Checklist Declaration, ¶¶43-44.

⁴⁹ Verizon’s Post-Hearing Brief, p. 15; Verizon RI 271 Filing – Checklist Declaration, ¶¶ 45-46.

VZ-RI referred to its C2C Performance Reports as evidence that it is providing interconnection trunks in a nondiscriminatory manner. From January through August 2001, VZ-RI noted, the trouble report rate for interconnection trunks was virtually nonexistent. Other performance measures for interconnection trunking during this same period, such as Mean-Time-To-Repair, and % Cleared (all troubles) within 24 hours, show nondiscriminatory maintenance and repair performance.⁵⁰

v. Trunk Call Capacity

VZ-RI asserted that it designs interconnection trunks to CLECs using the same technical criteria it uses to design its own facilities, using the same engineering practices as Verizon uses in New York and Massachusetts. VZ-RI indicated that, using the same blocking criteria as used in its own network deployment, VZ-RI installs direct-end-office interconnection trunks to CLECs where justified by traffic volumes and routes traffic on an overflow basis through the tandem in the event that the direct-end office trunks are all busy. According to VZ-RI, these measures help to minimize the blocking occurring on calls made to CLEC customers.⁵¹

Indeed, according to VZ-RI, the design criteria for both CLEC and retail trunking allow for only a “tiny amount of blocking.”⁵² Furthermore, VZ-RI asserted that it has shown that it is currently providing CLECs as a whole with a higher grade of service for calls from VZ-RI subscribers to CLEC end users than it does for calls from VZ-RI

⁵⁰ Verizon’s Post-Hearing Brief, p. 16; Verizon RI 271 Filing – Checklist Declaration, ¶ 48.

⁵¹ Verizon’s Post-Hearing Brief, p. 16; Verizon RI 271 Filing – Checklist Declaration, ¶ 49.

⁵² Verizon’s Post-Hearing Brief, p. 17; Tr. 10/11/01. Dedicated final trunk groups from VZ-RI to CLECs (like VZ-RI’s own final tandem trunks) are generally designed to a B.005 engineering standard. This means that trunk groups are sized (designed) based on 1/2 percent blocking (one call blocked out of 200 calls) during the busiest hour of the day (using the same busy hour) over a four-week measurement period. This is a stringent design standard intended to alert network engineers when even a small incidence of blocking is observed. Accordingly, end-user customers do not normally observe degraded service when a trunk group is operating over the B.005 engineering design. Significantly more severe blocking levels must

subscribers to its own end users. Traffic studies conducted from January through August 2001 show that the degree of trunk utilization for CLECs was substantially lower than it was for “retail services.” These studies, which include all dedicated final trunk groups from VZ-RI to CLECs, show that the utilization ratios of “trunks required” to “trunks in service” over this period was 25.8% for CLECs, while the retail percent for VZ-RI was 50%.⁵³ Put another way, substantially more CLEC interconnection trunks have been installed and are operational than are needed to operate at the same engineering design level of blocking as VZ-RI’s own common final trunk groups.⁵⁴

VZ-RI asserted that the significantly and consistently lower levels of trunk utilization for CLEC-dedicated final trunk groups also show that VZ-RI is providing a better grade of service for CLEC-dedicated final trunk groups in aggregate than what is needed to operate at the designed level (B.005) of blocking. VZ-RI noted that in reviewing VZ-MA’s and VZ-NY’s call capacity performance, the FCC examined the percent of Verizon’s common final trunk groups exceeding their engineering design and the percent of total CLEC dedicated final trunk groups (carrying traffic from Verizon to the CLECs) exceeding the same engineering design.⁵⁵ VZ-RI maintained that similar C2C Performance Data for Rhode Island show that there has been a zero level of final trunk blocking for CLECs due to VZ-RI causes.⁵⁶

occur before customers are able to observe degradation in service. Verizon RI 271 Filing – Checklist Declaration, ¶ 50.

⁵³ For a specific trunk group, “trunks required” is the calculation of the number of trunks needed to provide service at the standard engineering design level (B.005), based on the actual traffic loads carried by the trunk group during the study period. “Trunks in service” is the number of trunks in operation during that period. Verizon RI 271 Filing - Checklist Declaration, ¶ 54.

⁵⁴ Verizon’s Post-Hearing Brief, pp. 17-18; Verizon RI 271 Filing – Checklist Declaration, ¶¶50-55.

⁵⁵ Verizon’s Post-Hearing Brief, p. 18; See New York Order, ¶69; See Massachusetts Order, ¶ 185.

⁵⁶ Verizon’s Post-Hearing Brief, p. 18.

C. Collocation

i. Offering

In its Massachusetts Order, the FCC determined that "Verizon demonstrates that its collocation offerings in Massachusetts satisfy the requirements of sections 251 and 271 of the Act." Similarly, in its New York Order, the FCC determined that VZ-NY was "providing collocation in New York in accordance with the Commission's rules" and that VZ-NY's "collocation offering in New York satisfie[d] the requirements of sections 271 and 251 of the Act." VZ-RI asserted that because it offers the same collocation options as offered in Massachusetts and New York, it complies with the Act.⁵⁷

According to VZ-RI, the multiple collocation options and alternatives offered by VZ-RI are essentially the same options offered by VZ-MA and VZ-NY. VZ-RI maintained that the steps taken by VZ-RI to provide CLECs with quality collocation arrangements are essentially the same steps taken by VZ-NY and VZ-MA. Furthermore, VZ-RI stated that the standard operating procedures used by VZ-RI to provide collocation are essentially the same operating procedures used by VZ-MA and VZ-NY.⁵⁸

According to VZ-RI, the responsibilities of its employees who provide collocation to CLECs in Rhode Island are essentially the same responsibilities of Verizon employees who provide collocation to CLECs in Massachusetts and New York. In fact, VZ-RI indicated that some of the same organizations responsible for centralized functions, such as application processing, cover the entire Verizon East region (i.e., former Bell Atlantic region), including Rhode Island, Massachusetts, and New York. In addition, according to

⁵⁷ Verizon's Post Hearing Brief, pp. 18-19; citing Massachusetts Order, ¶194 New York Order, ¶¶ 67, 73.

⁵⁸ Verizon's Post-Hearing Brief, p. 19.

VZ-RI, the CLEC Handbook used by VZ-RI to inform CLECs of their collocation rights and responsibilities is the same CLEC Handbook used by VZ-MA and VZ-NY.⁵⁹

VZ-RI asserted that it provides CLECs with several types of physical collocation, virtual collocation and other collocation alternatives, in compliance with its responsibilities under the Act and in accordance with the requirements of the FCC's Advanced Services Order.⁶⁰ VZ-RI noted that these multiple collocation offerings are available to CLECs under interconnection agreements and VZ-RI's PUC RI No. 18 Tariff.

VZ-RI indicated that it offers different forms of physical collocation, including traditional physical collocation. This form of collocation enables a CLEC to enclose its equipment in a cage located in a secured, environmentally conditioned area of a VZ-RI central office. A standard size cage is either 25, 100 or 300 square feet. Additional space is available in 20 square foot increments for 100 square foot or larger cages.⁶¹ Through September 2001, VZ-RI indicated that it had provisioned 112 traditional physical collocation arrangements and an additional one was progressing toward timely completion.⁶² VZ-RI also offers two types of collocation arrangements that do not require a cage.⁶³ Through September 2001, VZ-RI reported that it had provisioned 102

⁵⁹ Id.

⁶⁰ Id. at 20; See In the Matters of Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147, FCC 98-48, First Report And Order (March 31, 1999) (“**Advanced Services Order**”).

⁶¹ Verizon's Post-Hearing Brief, p. 19.

⁶² Id. at 20, n.109.

⁶³ Verizon RI 271 Filing – Checklist Declaration, ¶¶ 64-65. Secured Collocation Open Physical Environment (“SCOPE”) enables a CLEC to place its physical collocation equipment in a VZ-RI central office in single-bay increments without enclosing its equipment in an individual cage. SCOPE arrangements are located in the same secure, environmentally conditioned areas that are used for the traditional physical collocation offering, except that the space is shared by a number of CLECs. Under SCOPE, CLECs provide and install their own equipment, and perform all maintenance-related activities up to their side of a Shared Point of Termination (“SPOT”) bay. VZ-RI also offers Cageless Collocation Open Environment (“CCOE”). This form of physical collocation permits a CLEC to place its physical

cageless collocation arrangements and an additional one was progressing toward timely completion.⁶⁴

VZ-RI stated that it also offers virtual collocation, which is an alternative to physical collocation. VZ-RI indicated that it offers virtual collocation in all of its central offices where space permits, even though Section 251(c)(6) of the Act requires that ILECs offer virtual collocation only in central offices where physical collocation space is not available. Through September 2001, VZ-RI reported that it had provided no virtual collocation arrangements to unaffiliated CLECs.⁶⁵

VZ-RI also indicated that it offers shared (cage) collocation, which permits a collocating CLEC to become the “host” to another collocating CLEC, and in effect, share collocation space and costs. Through September 2001, VZ-RI noted that it had not received any requests for shared cage collocation arrangements.⁶⁶

VZ-RI noted that it offers adjacent structure collocation, which permits a CLEC to procure or construct a controlled environment vault or similar structure adjacent to a VZ-RI central office on VZ-RI’s premises in the event physical collocation space is exhausted in a central office. Through September 2001, VZ-RI had not received any formal requests for adjacent collocation in central offices that had no physical collocation space.

VZ-RI stated that it continues to permit two or more CLECs to establish interconnection between their collocation arrangements at a VZ-RI central office, pending the FCC's Advanced Services Order on Reconsideration, on remand from the

collocation equipment in single-bay increments in a VZ-RI central office without requiring construction of a separate collocation area. VZ-RI offers CCOE in accordance with the requirements of the FCC’s Advanced Services Order, ¶¶ 42-43. *Id.*

⁶⁴ Verizon’s Post-Hearing Brief, p. 20, n.10.

D.C. Circuit.⁶⁷ VZ-RI indicated that it had not provisioned any Dedicated Cable Support (“DCS”) arrangements through September 2001.⁶⁸

VZ-RI indicated that it permits CLECs to bring their fiber facilities into a VZ-RI central office and terminate the facilities near a VZ-RI cable vault via Competitive Alternate Transport Terminal (“CATT”) service.⁶⁹ VZ-RI reported that it had provisioned 22 CATT arrangements and one was progressing toward timely completion through September 2001.⁷⁰

VZ-RI stated that it enables CLECs to expand, upgrade and/or reconfigure their existing collocation arrangements. Such changes to existing arrangements are commonly referred to as augments. Through September 2001, VZ-RI reported that it had provisioned 239 collocation augments and an additional 12 were progressing toward timely completion.⁷¹

VZ-RI further stated that it offers Collocation at Remote Terminal Equipment Enclosures (“CRTEE”) under Part E, Section 11 of the PUC RI No. 18 Tariff and

⁶⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 67.

⁶⁶ Verizon’s Post-Hearing Brief, p. 20, n.11.

⁶⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 69. CLECs may establish this interconnection in one of two ways, each of which provide CLECs with additional flexibility to exchange local traffic among their networks. First, VZ-RI allows CLECs to order a dedicated circuit between two collocation arrangements (*i.e.*, physical or virtual) that belong to the same CLEC or two different CLECs in the same central office, using distribution facilities provided by VZ-RI. Further, VZ-RI’s DCS offering allows CLECs collocated in the same central office to connect facilities directly between their own physical collocation arrangements, or those belonging to other CLECs, by constructing cable support between the two arrangements and providing their own distribution facilities. *Id.* See Deployment of Wireline Services Offering Advanced Telecommunications Capability, Order on Reconsideration and Second Further Notice of Proposed Rulemaking in CC Docket No. 98-147 and Fifth Further Notice of Proposed Rulemaking in CC Docket No. 96-98, 15 FCC Rcd 17806 (2000) (“Advanced Services Order on Reconsideration”).

⁶⁸ *Id.*; Tr. 10/11/01, p. 152.

⁶⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 70. This service enables CLECs to provide interoffice transport facilities to other CLECs that are physically or virtually collocated in a VZ-RI central office, without establishing physical collocation arrangements of their own. *Id.*

⁷⁰ Verizon RI 271 Filing – Checklist Declaration, ¶ 70; Tr. 10/11/01, p. 153.

⁷¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 71; Tr. 10/11/01, p. 153.

amendments to interconnection agreements.⁷² Through September 2001, VZ-RI reported that it had not provisioned any CRTEE arrangements.⁷³

ii. Provisioning

VZ-RI asserted that it has demonstrated its ability to meet CLECs' requests for collocation, relying on the following anecdotal evidence: In 1998, VZ-RI provided two CLECs with four physical collocation arrangements. In 1999, VZ-RI provided 10 CLECs with 81 physical collocation arrangements. In 2000, VZ-RI provided 18 CLECs with 101 physical collocation arrangements. VZ-RI reported that through September 2001, it had provided 23 CLECs with 214 physical collocation arrangements in 26 central offices. Through September 2001, CLECs had access via their collocation arrangements to 97.7% of VZ-RI's residential access lines and 99.3% of VZ-RI's business access lines.⁷⁴ VZ-RI maintained that it consistently meets or exceeds the two performance standards by which its physical collocation provisioning is measured.⁷⁵

VZ-RI represented that it provides several written responses to a CLEC upon receipt of its collocation application. The initial response provided by VZ-RI is in the form of a standard E-mail "acknowledgment" letter. This letter is sent to the CLEC within five business days of receiving a collocation application to inform the CLEC that its application has been received, as specified in Part E, Section 2 of the PUC RI No. 18

⁷² Verizon RI 271 Filing – Checklist Declaration, ¶ 72. CRTEE provides for the physical or virtual collocation of CLEC equipment in VZ-RI's remote terminal equipment enclosures where technically feasible and subject to the availability of space and conduit. Remote terminal equipment enclosures include controlled environmental vaults, huts, cabinets and leased space in buildings that VZ-RI does not own. Id.

⁷³ Id.; Tr. 10/11/01, p. 153-54.

⁷⁴ Verizon's Post-Hearing Brief, p. 21, (citations omitted).

⁷⁵ Verizon's Post-Hearing Brief, p. 22. The first standard requires VZ-RI to respond to completed collocation applications within 10 business days, as specified in Part E, Section 2 of the PUC RI No. 18 Tariff. The second standard requires VZ-RI to provide physical cage collocation arrangements to CLECs within 76 business days. VZ-RI also provides cageless collocation arrangements (*i.e.*, SCOPE and CCOE) to CLECs in the same 76 business-day interval. Id.

Tariff. This letter also notifies the CLEC whether its their application is complete and will be processed, or that it is incomplete and cannot be processed until the CLEC provides the information VZ-RI needs to process the application. VZ-RI reported that, of the 28 acknowledgment letters that VZ-RI sent to CLECs in the first five months of 2001, 100% were sent to CLECs within five business days after receiving their applications. Through September 2001, VZ-RI reported that it has continued to send timely acknowledgement letters 100% of the time.⁷⁶

VZ-RI explained that the second response provided by VZ-RI is in the form of a standard E-mail “schedule” letter which is sent to the CLEC within 10 business days of receiving a completed collocation application. The schedule letter formally notifies the CLEC about the collocation arrangement that VZ-RI will provide based on the type of collocation the CLEC has requested, the date by which VZ-RI will complete the CLEC’s collocation arrangement, and a cost estimate for the type of collocation the CLEC has requested and that can be provided by VZ-RI. The letter also contains the names and telephone numbers of the VZ-RI Collocation Manager responsible for preparing schedule letters, the Collocation Project Manager, and the Local Collocation Coordinator. VZ-RI reported that 100% of the schedule letters VZ-RI sent to CLECs in the first nine months of 2001 were sent within 10 business days of receiving the CLECs’ completed applications.⁷⁷

VZ-RI indicated that 11 of the 12 physical collocation arrangements that VZ-RI provided in the first five months of 2001 were completed within the standard 76 business-days provisioning interval. VZ-RI explained that it required 126 business days to

⁷⁶ Verizon’s Post-Hearing Brief, p. 22; Tr. 10/11/01, at 155-56.

⁷⁷ Verizon’s Post-Hearing Brief, p. 23; Tr. 10/11/01, pp. 156-57.

complete one physical collocation arrangement due to special circumstances and work involved in removing walls, ceilings, flooring, cable racking, and asbestos to create additional physical collocation space in its central office at 234 Washington Street in Providence.⁷⁸

iii. Space Management

VZ-RI asserted that it optimizes the amount of central office space available for physical collocation. VZ-RI's collocation website provides CLECs with information on the availability of collocation space in its central offices. The website identifies central offices where CLECs have requested physical collocation, as well as the types of collocation that are present and available in each of these offices.⁷⁹ VZ-RI has also indicated that it will provide CLECs with opportunities to tour its central offices in accordance with FCC rules. Through May 2001, VZ-RI had not received any requests for central office tours from CLECs in Rhode Island.⁸⁰

VZ-RI noted that it will file central office space exhaustion notifications with the RIPUC when it cannot provide physical collocation to CLECs due to insufficient space or technical reasons. VZ-RI indicated that its space exhaustion notifications will contain the

⁷⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 78. VZ-RI stated that it is prepared to provide virtual collocation arrangements to CLECs, upon request, within the standard 105 business-days provisioning interval. In this interval, VZ-RI readies central office space for virtual collocation (as it also does for physical collocation) and then installs CLECs' equipment. This contrasts with physical collocation, in which CLECs receive readied space from VZ-RI in 76 business days and then install their own equipment. Under virtual collocation, CLECs must complete several tasks to ensure timely completion of their arrangements. These tasks include ordering and scheduling the delivery of the equipment to be collocated, supplying engineering data to VZ-RI, and providing training to VZ-RI employees if their equipment is not ordinarily used in VZ-RI's network. *Id.* at ¶ 79. See Part E, Section 2 of the PUC RI No. 18 Tariff.

⁷⁹ Verizon RI 271 Filing – Checklist Declaration, ¶¶ 80-82. VZ-RI stated that it updates the website with information on space limitations within 10 calendar days after determining that physical collocation space is not available in a central office consistent with the requirements of ¶ 58 of the FCC's Advanced Services Order. *Id.* at ¶ 82.

⁸⁰ *Id.* at ¶ 83.

information required by the FCC, as described in its Advanced Services Order at ¶ 56 and its Advanced Services Order on Reconsideration at ¶ 61.⁸¹

iv. Methods and Procedures

VZ-RI asserted that it has developed and implemented comprehensive methods and procedures to ensure that it provides CLECs with quality collocation arrangements. VZ-RI stated that its procedures include comprehensive internal quality inspections of collocation arrangements before they are turned over to CLECs and voluntary joint testing of facilities with CLECs after they have installed equipment in their physical collocation arrangements. The procedures also include coordination of Collocation Acceptance Meetings (“CAMs”) with CLECs at the time VZ-RI turns over collocation arrangements to them for installation of their equipment.⁸²

VZ-RI asserted that it conducts quality inspections of its collocation arrangements prior to turning over arrangements to CLECs for installation of their equipment. VZ-RI indicated that it inspects collocation arrangements using an internal Pre-Acceptance Checklist to verify that each arrangement meets VZ-RI’s installation specifications and to address those items that are not complete or correct at the time a collocation arrangement is inspected. This Pre-Acceptance Checklist covers areas such as power, fiber structure, cable racking, total number of circuits, and lighting.⁸³

VZ-RI maintained that it performs comprehensive testing of its cross connects upon completion of a collocation arrangement to ensure continuity between VZ-RI’s distribution frame(s) and SPOT bays. According to VZ-RI, its quality inspection process ensures that installation of VZ-RI provided cabling is accurate, that assignments are

⁸¹ Id. at ¶ 84.

⁸² Id. at ¶ 85.

stenciled properly, and that VZ-RI's inventory systems correctly reflect the assignments upon completion of a physical collocation arrangement.⁸⁴

VZ-RI further stated that it will perform voluntary cooperative testing of physical collocation arrangements with CLECs upon request. These tests include "head-to-head" testing of facilities by VZ-RI and CLEC technicians from CLEC equipment to VZ-RI's distribution frames to ensure proper continuity before or after CLECs have installed their equipment in a physical collocation arrangement. These cooperative tests also include testing of VZ-RI and CLEC facilities from a VZ-RI distribution frame through a SPOT bay to a CLEC's equipment.⁸⁵

VZ-RI represented that it notifies CLECs about CAMs prior to the due date of an arrangement. These meetings are arranged and conducted by VZ-RI with CLECs to obtain their acceptance of a collocation arrangement. VZ-RI explained that under the CAM notification process, VZ-RI's Collocation Applications group sends a standard E-mail letter to a CLEC prior to the time that its collocation arrangement is due to be completed. The letter notifies the CLEC that it must contact its VZ-RI Local Collocation Coordinator when it is ready to inspect its collocation arrangement and confirm that VZ-RI's work is complete.⁸⁶

VZ-RI indicated that it provides CLECs with a standard collocation application form. The form enables CLECs to select one or more types of physical collocation, in order of preference, as well as virtual collocation. According to VZ-RI, the application form allows CLECs to specify a minimum and maximum size for physical collocation

⁸³ Id. at ¶ 86.

⁸⁴ Id. at ¶ 87.

⁸⁵ Id. at ¶ 88.

⁸⁶ Id. at ¶ 89-90.

cages and the number of bays for SCOPE, as well as CCOE and virtual collocation. CLECs generally value this option because it enables VZ-RI to provide their first choice, when feasible, or provide the best available alternative should their first or other choices not be feasible. VZ-RI indicated that this form allows VZ-RI to facilitate the processing of CLEC applications and eliminate any need to use its own subjective judgment when deciding what alternatives would best satisfy a CLEC's collocation request. VZ-RI explained that the standard collocation form is important because it saves time in the provisioning process when the first choice is not available.⁸⁷

v. Collocation rates and charges

VZ-RI explained that its PUC RI No. 18 Tariff contains the rates and charges that apply to the multiple collocation offerings and alternatives available to CLECs in Rhode Island. The rates and charges contained in this tariff include standard rates and charges for various collocation elements, including application fees, space conditioning, floor space and DC power. The collocation power rates and rate structure applied by VZ-RI were reviewed by the RIPUC and approved in its June 15, 2001 Order in Docket No. 2937.⁸⁸

In response to CLEC concerns about the application of DC power rates, VZ-RI filed tariff revisions on April 6, 2001. The revisions changed the way VZ-RI charges for DC power from the quantity of fused amps provided to the quantity of load amps requested by CLECs on each power feed. Thus, if a CLEC requests 40 load amps on a power feed and VZ-RI fuses that power feed at 60 amps per industry standards, the CLEC will have the capability of using up to 60 amps on that power feed but will only be

⁸⁷ Id. at ¶ 91.

⁸⁸ Id. at ¶ 94.

charged for 40 amps. The tariff revisions were approved by the RIPUC at an Open Meeting on May 15, 2001.⁸⁹ VZ-RI asserted that with these tariff revisions, DC power charges are applied by VZ-RI in the same manner as VZ-MA, which the FCC determined is consistent with VZ-MA's responsibilities under Checklist Item 1.⁹⁰

3. CLEC Comments

CTC challenged VZ-RI's compliance with Checklist Item 1, alleging that VZ-RI's actual performance and procedures regarding collocation were not in compliance with Verizon FCC Tariff No. 11, the Act or the requirements of Checklist Item 1.⁹¹

CTC noted that in its Checklist Declaration, VZ-RI stated that it "has developed and implemented comprehensive methods and procedures to ensure that it provides CLECs with quality collocation arrangements."⁹² CTC also pointed out that VZ-RI stated that these procedures "include coordination of Collocation Acceptance Meetings ("CAMs") with CLECs at the time [Verizon] turns over collocation arrangements to them for installation of their equipment."⁹³ CTC alleged that contrary to VZ-RI's assertions, its practices regarding a CLEC's termination and turnover of collocation space arrangements and related billing do not comport with its tariffs, the Act and Competitive Checklist Item 1.⁹⁴

CTC proffered anecdotal evidence regarding various orders placed by November 1999, for collocation arrangements in several New England states pursuant to Verizon

⁸⁹ Id. at 96. See RIPUC Order No. 16639 (issued June 15, 2001).

⁹⁰ Id. See Massachusetts Order, ¶ 200.

⁹¹ Declaration of CTC Communications Corp., ¶¶ 5-13; See Brief of CTC Communications Corp., pp. 2-10 (reiterating each of the arguments made in its Declaration). see also Verizon Telephone Companies, Tariff FCC No. 11, Access Service, § 28 ("Verizon FCC Tariff No. 11").

⁹² Id. at ¶ 6 (citations omitted).

⁹³ Id. (citations omitted).

⁹⁴ Id. at ¶ 7.

FCC Tariff No. 11 for expanded interconnection.⁹⁵ CTC stated that in April 2000, it initiated discussions with Verizon to terminate many of these collocation arrangements. According to CTC, on December 18, 2000, CTC and Verizon conducted a formal meeting at CTC's Offices at 220 Bear Hill Road, Waltham, MA regarding the termination of a number of CTC's collocation arrangements.⁹⁶ During the ensuing months between November 1999, when the orders were placed, and December 2000, when CTC and Verizon formally met to discuss termination, certain non-recurring charges and late fees were allegedly assessed by VZ-RI. CTC disputes owing the amounts charged on the basis that the collocation space was never turned over to CTC by VZ-RI.⁹⁷ According to CTC, it and VZ-RI continued to discuss these matters and conduct negotiations as recently as September 4, 2001.⁹⁸ CTC has charged that currently, VZ-RI improperly seeks to impose monthly recurring charges for the collocation arrangements at issue through January 17, 2001.⁹⁹

4. RIDPUC's Position

The RIDPUC indicated that VZ-RI demonstrates that it provides competing carriers with interconnection that is "equal-in-quality" to that provided to itself, an affiliate or subsidiary.¹⁰⁰

Responding in its Reply Brief to the allegations made by CTC, the RIDPUC noted that "it is likely that isolated examples of Checklist noncompliance will be observed with respect to Verizon's operations." However, the RIDPUC reiterated that "while CTC may have specific legitimate complaints pertaining to Verizon's interaction with CTC, those

⁹⁵ Id. at ¶¶ 8-13, citing Verizon FCC Tariff No. 11.

⁹⁶ Id. at ¶ 9.

⁹⁷ Id. at ¶¶ 10-12.

⁹⁸ Id. at ¶ 9.

complaints can be, and should be, addressed with Verizon (and possibly, the RIPUC) on an individual case basis.” It was the RIDPUC’s opinion that CTC’s specific complaints did not constitute sufficient basis for the Commission to withhold its support for FCC approval of VZ-RI’s 271 application.¹⁰¹

5. VZ-RI’s Rebuttal

VZ-RI contended that CTC’s complaint regarding Checklist Item 1 essentially amounts to an individual billing dispute. VZ-RI stated that rather than raising this billing dispute in an appropriate forum, CTC chose instead to assert it in the context of the RIPUC’s review of VZ-RI’s compliance with Section 271. VZ-RI asserted that nothing in the facts alleged in connection with this billing dispute suggests that VZ-RI has failed to comply with its collocation obligations under the Act. To the contrary, VZ-RI argued, the facts show that CTC was simply seeking to avoid its financial responsibilities to pay VZ-RI for work VZ-RI performed to provision CTC’s collocation arrangements in East Providence and Providence.¹⁰² VZ-RI then provided its version of the facts that led up to what VZ-RI has characterized as the billing dispute.¹⁰³

VZ-RI concluded that CTC’s complaints regarding VZ-RI’s collocation policies and practices do not establish any failure of VZ-RI to comply with any requirement of the FCC, the Act, or Checklist Item 1. VZ-RI also pointed to the RIDPUC’s findings in this matter as confirmation that VZ-RI meets its Checklist Item 1 obligations in Rhode Island.¹⁰⁴

⁹⁹ Id. at ¶ 11.

¹⁰⁰ RIDPUC Exhibit 1, Appendix A, p. 1.

¹⁰¹ RIDPUC’s Reply Brief, 11/9/01, p. 3.

¹⁰² Verizon’s Post-Hearing Brief, p.24.

¹⁰³ Id. at 24-29.

¹⁰⁴ Id. at 29 (citations omitted).

6. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 1. As of July 2001, VZ-RI reported having approximately 46,710 local interconnection trunks in place with 15 CLECs. In addition, VZ-RI pointed out that by mid-2001, the average number of minutes for interconnection traffic exchanged between VZ-RI and CLECs reached approximately 271 million per month. Furthermore, the degree of trunk utilization for CLECs was substantially lower than for VZ-RI's retail services. As for trunk provisioning, VZ-RI consistently met or exceeded its provisioning intervals for interconnection trunks. With regard to maintenance and repair, VZ-RI stated that from January through August 2001, the trouble report rate for interconnection trunks was virtually non-existent.

In the area of collocation, VZ-RI asserted it provides the same collocation options as in Massachusetts and New York. We note that through September 2001, VZ-RI indicated it had provisioned 112 traditional physical collocation arrangements and 239 collocation augments. VZ-RI reported that through September 2001, it had provided 23 CLECs with 214 physical collocation arrangements and therefore, CLECs had access via their collocation arrangements to 97.7% of VZ-RI's residential access lines and 99.3% of VZ-RI's business lines.

Regarding metric performance, we find that VZ-RI's performance in the interconnection (trunks) was flawless from March through August 2001. VZ-RI met every metric that had activity from March to August 2001.¹⁰⁵ In comparison, VZ-MA

¹⁰⁵ See Verizon RI 271 Filing - Checklist Declaration, Attachment 5, p. 13; see also Verizon's Response to Record Request No. 2 (VZ-MA's PAP metrics).

met only 77% to 100% of the same metrics that had activity and did not qualify for a small sample size exemption from March to July 2000.¹⁰⁶

As for CTC's allegations, we find that they amount to a billing dispute regarding charges under Verizon FCC Tariff 11 and do not prevent us from finding that VZ-RI is in compliance with this checklist item. As this dispute arises under a federal tariff, we find this is not the appropriate forum in which to resolve this matter and believe that the FCC can adequately address this dispute. Moreover, we note that the facts of the dispute do not indicate that VZ-RI either violated the Act or acted unreasonably. In November 1999, CTC ordered collocation arrangements in Rhode Island. Although CTC stated it verbally informed VZ-RI in April 2001 that it wanted to terminate these collocation arrangements, CTC ignored a written confirmation notice from VZ-RI, sent in April 2000, and did not inform VZ-RI in writing until December 2000 that it did not want the collocation arrangements.¹⁰⁷ At best, for CTC, this is a billing dispute that is an isolated incident and should not stand in the way of approving VZ-RI's Section 271 application.

Based upon the totality of the circumstances, we find that VZ-RI is providing CLECs with non-discriminatory interconnection to VZ-RI's network at a level of quality equal to that which VZ-RI provides itself. Therefore, we find VZ-RI to be in compliance with Checklist Item 1 and recommend the FCC find that VZ-RI has complied with the requirements of this checklist item.

¹⁰⁶ Id.

¹⁰⁷ Tr. 10/11/00, pp. 77-78.

B. CHECKLIST ITEM 2 – NONDISCRIMINATORY ACCESS TO NETWORK ELEMENTS AND OSS ANALYSIS

1. Applicable Law – Nondiscriminatory Access

Section 271(c)(2)(B)(ii) of the Act requires that Verizon RI provide “non-discriminatory access to network elements in accordance with the requirements of sections 251(c)(3) and 252(d)(1).”¹⁰⁸ Section 251(c)(3) provides that an incumbent LEC “shall provide such unbundled network elements in a manner that allows requesting carriers to combine such elements in order to provide such telecommunication service.”¹⁰⁹

Section 252(d)(1) of the Act requires that state regulatory commission determinations of appropriate rates for network elements be based on the cost of providing the network elements and may include a reasonable profit.¹¹⁰ The FCC has determined that “prices for unbundled network elements (“UNEs”) must be based on the total element long run incremental cost (“TELRIC”) of providing those elements.”¹¹¹

2. VZ-RI’s Position – Nondiscriminatory Access to UNEs

It is VZ-RI’s position that it is in compliance with the requirements of Checklist Item 2. VZ-RI relied on the RIDPUC’s filing, stating that its “compliance with the Act with respect to this issue is supported by the RIDPUC.” Accordingly, VZ-RI asserted that the RIPUC should find in its consultative report to the FCC that Verizon RI has satisfied Checklist Item 2.¹¹²

¹⁰⁸ 47 U.S.C. § 271(c)(2)(B)(ii).

¹⁰⁹ 47 U.S.C. § 251(c)(3).

¹¹⁰ 47 U.S.C. § 252(d)(1).

¹¹¹ Massachusetts Order, ¶ 16.

¹¹² Verizon’s Post-Hearing Brief, p. 30.

A. Access to UNEs

VZ-RI pointed out that the FCC concluded that Verizon “provides to competitors combinations of network elements that are already pre-assembled in their network, as well as non-discriminatory access to unbundled network elements, in a manner that allows competing carriers to combine those elements themselves” in both in New York and Massachusetts.¹¹³ VZ-RI maintained that the record demonstrates that it also provides non-discriminatory access to network elements, both separately or in combined form. VZ-RI represented that it provides CLECs with access to UNEs in the same manner and of the same type provided by VZ-MA, and approved by the FCC.¹¹⁴

VZ-RI asserted that it uses the same network facilities to provide and maintain UNEs to CLECs that it uses to provide bundled services to its own end users.¹¹⁵ VZ-RI indicated that its facility assignment systems and processes do not discriminate between retail service requests and UNE requests in the selection of facilities.¹¹⁶ VZ-RI inventories network facilities in various assignment systems based on their technical characteristics and specific physical location(s). If available facilities meet the requirements of the unbundled element(s) requested by a CLEC, those facilities are assigned without regard to the unbundled status of the request, or whether the customer is a VZ-RI end user or a CLEC that is requesting a network/facility from VZ-RI. For example, VZ-RI explained that the same switching facilities are used whether or not VZ-RI provides the dial tone to a CLEC as unbundled switching, or as part of a VZ-RI retail service.¹¹⁷

¹¹³ New York Order, ¶ 231; see also, Massachusetts Order, ¶ 117.

¹¹⁴ Verizon’s Post-Hearing Brief, p. 30.

¹¹⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 101.

¹¹⁶ Id.

¹¹⁷ Id.

VZ-RI also asserted that it provides CLECs with access to UNEs including loops, dedicated local transport, and dedicated local and tandem switching ports on a stand-alone basis, at the CLECs' physical or virtual collocation arrangements in a VZ-RI central office.¹¹⁸

VZ-RI indicated that the variety of alternative collocation arrangements it provides can also be used by CLECs to combine individual network elements. These arrangements, which VZ-RI asserted are the same as those offered by VZ-MA in Massachusetts and approved by the FCC, enable CLECs to combine network elements in the same manner that standard collocation arrangements provide.¹¹⁹

B. VZ-RI-Provided UNE Combinations

VZ-RI asserted that in addition to providing numerous methods for CLECs to combine individual network elements, it also provides UNEs in an already-combined form. Specifically, VZ-RI is providing to CLECs the complete platform of network elements known as UNE-Platform ("UNE-P"). VZ-RI offers UNE-P in accordance with the FCC's UNE Remand Order and its November 24, 1999 Supplemental Order¹²⁰ and the RIPUC's December 6, 1999 Order in Docket No. 2681.¹²¹

¹¹⁸ Id. at 102. CLECs obtain access to these elements through cross-connect jumper wires at the CLECs' collocation arrangements, and can combine these network elements at their physical collocation arrangements by simply connecting these jumper wires. This means that a CLEC does not need to have any of its own transmission equipment in VZ-RI's central offices in order for it to combine network elements and provide telecommunications services. Further, CLECs do not need to establish collocation arrangements with VZ-RI to access or combine UNEs, unless collocation is technically necessary. CLECs may use the BFR process to request alternative means of access. Id.

¹¹⁹ Id. at 103. VZ-RI offers each of these alternatives pursuant to interconnection agreements and Part E of PUC RI No. 18 Tariff. Id.

¹²⁰ In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking (rel. November 5, 1999) ("**UNE Remand Order**"); Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 Supplemental Order, 15 FCC Rcd 1761 (Rel. November 24, 1999) ("**Supplemental Order**"); see also Supplemental Order Clarification, 15 FCC Rcd 9587 ("**Clarification Order**") (Rel. June 2, 2000).

¹²¹ Verizon RI – 271 Checklist Declaration, ¶ 103. UNE-P enables CLECs to provide residential and business local exchange services, and exchange access service, to their end users. In a UNE-P

VZ-RI maintained that it will also combine unbundled local switching with other UNEs or with VZ-RI services, subject to technical feasibility.¹²² VZ-RI stated that it will provide common interoffice transport in conjunction with shared trunk ports to CLECs that purchase common interoffice transport. According to VZ-RI, all UNE-P lines currently in service combine these types of UNEs. VZ-RI noted that collocation is not required, provided that the terminating location is normally accessed in the VZ-RI central office from which CLECs have purchased an unbundled switch line port.¹²³

VZ-RI indicated that it also provides combinations of unbundled loop and interoffice facility network elements known as Expanded Extended Loop (“EEL”).¹²⁴ VZ-RI asserted that it provides these elements in accordance with requirements of the FCC’s UNE Remand Order and Supplemental Order via interconnection agreements, and the pending PUC RI No. 18 Tariff. VZ-RI further asserted that the EEL arrangements offered by VZ-RI essentially are the same arrangements that are offered by VZ-MA and were approved by the FCC.¹²⁵

C. UNE Pricing

VZ-RI asserted that its interconnection agreements and PUC RI No. 18 Tariff

combination, VZ-RI provides CLECs with a pre-existing or new combination of an unbundled local loop network element and an unbundled local switching network element. The unbundled local switching element provided within the UNE-P combination offers CLECs access – as requested by a CLEC via the Network Design Request (“NDR”) process – to other UNEs. These elements include Common Transport or Dedicated Transport, Shared Tandem Switching, Signaling Systems and Call-related Databases, E911, and/or Directory Assistance services and Operator Services. Collocation is not required to access local loop and local switch port UNE-P combinations. See RIPUC Order No. 16012 (issued December 6, 1999).

¹²² These include shared or dedicated interoffice transport, shared tandem switching, SS7 signaling, and access to E911. Operator Services and Directory Assistance service are available on an optional basis.

¹²³ Verizon’s Post-Hearing Brief, p. 33. VZ-RI’s UNE-P offering is available under interconnection agreements and Part B, Section 8 of the PUC RI No. 18 Tariff. Verizon RI 271 Filing - Checklist Declaration, ¶ 104. Thirteen CLECs established to use Verizon UNE switching in Rhode Island. Verizon’s Post-Hearing Brief, p. 33, citing Tr. 10/15/01, at 88. VZ-RI’s provisioning and maintenance performance with respect to UNE-P is discussed in connection with the section relating to OSS.

¹²⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 105. EEL arrangements enable a CLEC to use combinations of unbundled links and unbundled dedicated interoffice transport network elements to provide a significant amount of local exchange service to an end user. Id.

include specific rates, terms and conditions that enable it to provide non-discriminatory access to network elements consistent with the requirements of Section 251 of the Act.¹²⁶

VZ-RI stated that it has developed rates for all UNEs and collocation in full compliance with the FCC's TELRIC methodology. VZ-RI also asserted that the rates for the additional UNEs identified in the FCC's UNE Remand Order were established in accordance with the RIPUC-prescribed methodology that is fully compliant with TELRIC principles.¹²⁷

VZ-RI indicated that the rates contained in CLEC interconnection agreements with VZ-RI are subject to a "true-up" to match the rates for UNEs and certain collocation rates approved by the RIPUC. In the event that a current rate is higher than the approved rate, CLECs will receive the benefit of the lower rate retroactive to the date the product or service rate element was introduced. By the same token, should a CLEC's current rate be lower than the approved rate, VZ-RI will apply the approved rate retroactive to the date the product or service rate element was introduced.¹²⁸

VZ-RI asserted that the RIDPUC agreed that VZ-RI provides access to UNEs at appropriate prices and noted that no party filed comments regarding this aspect of Checklist Item 2.

¹²⁵ Id. at 105-106; Verizon's Post-Hearing Brief, pp. 33-4.

¹²⁶ Verizon's Post-Hearing Brief, p. 34.

¹²⁷ See Verizon's Post-Hearing Brief, p. 34-5; See also RIPUC Order No. 16793 (issued November 15, 2001) (approving the UNE rates filed by Verizon on May 24, 2001 and revised by VZ-RI on July 24, 2001 for effect February 1, 2002); RIPUC Order No. 16808 (issued December 3, 2001) (finding that the compliance rates filed by VZ-RI on May 21, 2001 are consistent with the RIPUC's April 11, 2001 open meeting decision and the requirements of TELRIC, and approving these rates as final TELRIC rates for effect April 11, 2001).

¹²⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 108.

3. CLEC Comments – Nondiscriminatory Access to UNEs

Although no CLEC filed Declarations or Comments, WorldCom questioned the appropriateness of VZ-RI's local switching rates in a July 12, 2001 letter to RIPUC Chairman Elia Germani.¹²⁹ Furthermore, both WorldCom and AT&T made post-hearing filings addressing their respective concerns regarding the UNE rates.

A. WorldCom

In its Post-Hearing Comments, WorldCom noted that in its review of previous section 271 applications, the FCC has, under certain circumstances, determined that a BOC may demonstrate compliance with section 271 by comparing the section 271 applicant's UNE rates to the UNE rates of neighboring states that have already received section 271 approval. In such comparisons, the FCC has compared the applicant's rates to determine if they are reasonable vis-à-vis the UNE rates of previously-approved 271 states. However, WorldCom also pointed out that in its Massachusetts Order, the FCC cautioned the BOCs that if New York modifies its UNE rates, BOCs can no longer rely on rate comparisons with the current New York UNE rates for section 271 approval.¹³⁰

WorldCom stated that a New York ALJ has recently recommended the adoption of UNE rates in New York which are significantly lower than the current Rhode Island UNE rates. Thus, WorldCom contended, when New York implements its new UNE rates, VZ-RI will be unable to establish section 271 checklist compliance through a UNE comparison with either the current New York UNE comparison rates or the current Massachusetts UNE rates.

¹²⁹ Verizon's Post-Hearing Brief, p. 35.

¹³⁰ Post-Hearing Comments of WorldCom, Inc., pp. 3-4, citing Massachusetts Order, ¶¶ 29-30.

WorldCom noted that on or about October 5, 2001 VZ-RI proposed to revise its UNE switching rates downward by adopting as the permanent switching rates for Rhode Island the switching rates VZ-MA has proposed in its pending UNE case in Massachusetts. WorldCom argued that adoption of these rates for Rhode Island would be inappropriate because the rates had not been adopted in Massachusetts and were still substantially higher than the UNE rates proposed by the New York ALJ's recommended decision.¹³¹

B. AT&T

AT&T contended that VZ-RI's UNE rates were not TELRIC compliant and not reasonable. In addition, AT&T took issue with VZ-RI's UNE switching rates filed on October 5, 2001, because the proposed rates were higher than those recommended by the New York ALJ.¹³²

4. RIDPUC Comments – Nondiscriminatory Access to UNEs

The RIDPUC indicated that VZ-RI is providing competing carriers with access to UNEs at technically feasible points in the VZ-RI network in substantially the same time and manner as VZ-RI provides such access to itself, its affiliates or subsidiaries. The RIDPUC also stated that it believes CLECs have a meaningful opportunity to compete in Rhode Island.

In specific response to the comments made by WorldCom and AT&T regarding VZ-RI's UNE rates, the RIDPUC urged the RIPUC to reject their arguments. The RIDPUC noted that the RIPUC's April 11, 2001 open meeting decision in Docket 2681 specifically adopted the RIDPUC's final position on recommended UNE rates and

¹³¹ *Id.* at 3-5.

¹³² Brief of AT&T, pp. 3-9.

reflected UNE rates developed for Rhode Island in accordance with the FCC's TELRIC standards. Furthermore, because the rates were adopted in accordance with TELRIC standards, the RIDPUC argued, they are, by definition, reasonable. Finally, the RIDPUC asserted that it would be inappropriate to adopt rates set forth in the New York ALJ's recommended decision because, even if they were considered "final" rates, they would not necessarily conform to TELRIC standards for Rhode Island.¹³³

5. VZ-RI's Rebuttal – Nondiscriminatory Access to UNEs

Subsequently, in its Supplemental Checklist Declaration filed on October 5, 2001, VZ-RI proposed revisions to its local switching rates so that they would be equivalent to the unbundled local switching rates that VZ-MA filed on May 8, 2001 in a pending UNE rate proceeding in Massachusetts (D.T.E. 01-20).¹³⁴

VZ-RI pointed out that the UNE switching rates contained in Attachment D to VZ-RI's Supplemental Checklist Declaration are lower than the rates approved by the RIPUC in Docket No. 2681.¹³⁵ The rates are also lower than the local switching rates that were adopted in Massachusetts and reviewed by the FCC in VZ-MA's 271 application.¹³⁶ VZ-RI asserted that the local switching rates it has proposed for Rhode Island address fully the UNE pricing concerns raised by WorldCom in its July 12, 2001 letter and, as the RIDPUC's witness acknowledged, "will encourage competition in the State of Rhode Island."¹³⁷ VZ-RI respectfully requested that the RIPUC approve the modified UNE switching rates filed in this proceeding.

¹³³ RIDPUC's Reply Brief, 11/09/01, pp. 2-3. See RIPUC Order No. 16808 (issued December 3, 2001).

¹³⁴ Verizon RI 271 Filing – Supplemental Checklist Declaration, ¶ 38.

¹³⁵ At the hearings in this proceeding, VZ-RI explained in detail the proposed rates and their relationship to existing rates. See Tr. 10/15/01, pp. 7-36; see also Verizon's Responses to Record Requests 31 and 33.

¹³⁶ Verizon RI 271 Filing - Supplemental Checklist Declaration, ¶ 39; see also Massachusetts Order, ¶¶ 20-28.

¹³⁷ Verizon's Post-Hearing Brief, p.35, citing Tr. 10/15/01, at 46.

6. RIPUC Findings and Recommendation – Nondiscriminatory Access to UNEs

We find VZ-RI to be in compliance with the requirements of Checklist Item 2 as it relates to the provisioning of UNEs. VZ-RI provides UNEs to CLECs on an individual basis or in a combined form known as UNE-P. The RIPUC has previously determined that these UNEs are provided at final rates that comply with the FCC's forward-looking TELRIC methodology.¹³⁸ The RIPUC's TELRIC proceedings in Docket No. 2681 began with the filing of cost studies in November 1997. At an open meeting on August 18, 1999 the RIPUC approved interim UNE rates. These interim UNE rates were the result of a joint stipulation between VZ-RI and the RIDPUC, and for the most part reflected the RIDPUC's position in the TELRIC proceedings.¹³⁹ Due in part to the age of the cost studies, as well as the recommendations of VZ-RI, Cox and the RIDPUC, the RIPUC adopted final UNE rates at an open meeting on April 11, 2001 and found them to be TELRIC-compliant. These final UNE rates were the interim UNE rates adjusted downward by 7.11 percent to reflect merger savings.

In September 2000, VZ-RI filed cost studies for additional UNEs pursuant to the FCC's UNE Remand Order. As a result of the April 11, 2001 open meeting decision, VZ-RI filed revised rates for these additional UNEs on May 24, 2001. The RIDPUC recommended approval of these revised rates. At an open meeting on November 15,

¹³⁸ See RIPUC Order No. 16808 (issued December 3, 2001), RIPUC Order No. 16799 (issued November 28, 2001), and RIPUC Order No. 16793 (issued November 18, 2001). In Order No. 16793, we ordered VZ-RI to include certain specific assumptions in future cost studies that it files. These assumptions in no way affect our conclusion that VZ-RI's currently effective UNE rates are TELRIC-compliant.

¹³⁹ For instance, Mr. Weiss indicated that the interim and now final UNE rates reflect "for the most part" the RIDPUC's position on fill factors. Tr. 10/15/01, pp. 59-61.

2001, the RIPUC adopted the revised rates for the additional UNEs and found them to be TELRIC-compliant.¹⁴⁰

On October 5, 2001, VZ-RI filed new UNE local switching rates for Rhode Island based on VZ-MA's cost studies filed on May 8, 2001 in Massachusetts. The RIDPUC recommended approval of these new local switching rates. No CLEC objected to the adoption of these switching rates at the RIPUC's hearing on the proposed rates on October 15, 2001. At an open meeting on November 15, 2001, the RIPUC adopted these new UNE local switching rates and found them to be TELRIC-compliant.¹⁴¹ Accordingly, UNEs are currently available to CLECs in Rhode Island in compliance with the Act and the directives of the FCC.

As to WorldCom's concerns regarding VZ-RI's switching rates, the RIPUC has adopted the lower switching rates that have recently been filed for review in Rhode Island's anchor state, Massachusetts. We found these rates to be TELRIC compliant. Also, we emphasize that these rates are not only lower than VZ-RI's UNE switching rates in effect at the time of VZ-RI's § 271 Filing with the RIPUC, but also are lower than the switching rates in effect when Verizon received Section 271 approval in New York and Massachusetts.¹⁴² In addition, we point out that approximately 90% of Rhode Island's UNE rates are lower than current Massachusetts' UNE rates.¹⁴³

AT&T and WorldCom urge us to adopt the even lower UNE rates recently recommended for VZ-NY by a New York Administrative Law Judge ("ALJ"). However, we note that the New York ALJ's decision has not been adopted by the NYPSC and,

¹⁴⁰ These rates are for effect February 1, 2002 so as to allow VZ-RI to properly implement these new rates in their billing system.

¹⁴¹ Id.

¹⁴² RIPUC Order No. 16799 (issued November 28, 2001), pp. 5-6.

even if it was, there is no certainty these rates would conform with TELRIC standards for Rhode Island.¹⁴⁴ Furthermore, according to AT&T, the UNE switching rates recently adopted for Rhode Island will result in a wholesale cost of \$25.45 for UNE-P which is lower than the \$28.95 retail price for VZ-RI's Unlimited Local Calling Offer.¹⁴⁵ Accordingly, we find that VZ-RI's UNE rates are not only "within the range of what a reasonable application of what TELRIC would produce," but are, in fact, TELRIC-compliant and, in any case, afford CLECs a meaningful opportunity to compete in compliance with Checklist Item 2. We recommend that the FCC find that VZ-RI has complied with the requirements of this checklist item as it relates to UNEs.¹⁴⁶

7. Applicable Law – OSS Analysis

As part of the FCC's consideration of Checklist Item 2 for Verizon's 271 applications, the FCC has looked to whether the BOC's Operating Support Systems ("OSS") provided CLECs with "[n]on-discriminatory access to network elements in accordance with the requirements of sections 251(c)(3) and 252(d)(1)."¹⁴⁷ Upon specific detailed review of the OSS employed in the preordering, ordering, provisioning, maintenance and repair, and billing functions, the FCC found in each instance that "Bell Atlantic [Verizon] offers non-discriminatory access."¹⁴⁸ In addition, the FCC also reviewed the training and assistance that Verizon provides to CLECs, the Verizon OSS Change Control Management process, and Verizon's carrier interface testing practices and procedures. Here, the FCC stated that "Verizon provides a change management

¹⁴³ Tr. 10/15/01, p. 51.

¹⁴⁴ It should also be noted that the RIPUC has ordered VZ-RI to file new TELRIC cost-studies for its Rhode Island UNE rates by May 1, 2002. See RIPUC Order No. 16793.

¹⁴⁵ AT&T's Post Hearing Brief, pp. 7-8.

¹⁴⁶ Massachusetts Order, ¶ 35.

¹⁴⁷ Id. at ¶ 43; New York Order, ¶ 84.

¹⁴⁸ New York Order, ¶ 82; Massachusetts Order, ¶ 43-116.

process and technical assistance that offers competing carriers a meaningful opportunity to compete.”¹⁴⁹

In reaching these conclusions, the FCC uses two tests. First, for OSS functions that are analogous to those that Verizon provides to itself, its customers or affiliates, the FCC indicated that the non-discrimination standard would be met by Verizon showing that it offers the requesting carrier access that is equivalent in terms of quality, accuracy and timeliness. In other words, Verizon permits CLECs to perform these functions in “substantially the same time and manner.”¹⁵⁰ Second, for OSS functions that have no retail analogues, the FCC found that Verizon would meet the requirements if it offers access “sufficient to allow an efficient competitor a meaningful opportunity to compete.”¹⁵¹ In this area, the FCC noted the importance of specific performance standards for measuring OSS performance either “adopted by the relevant state commission or agreed upon by the BOC in an interconnection agreement or during the implementation of such an agreement.”¹⁵²

8. VZ-RI’s Position – OSS Analysis

A. Overall OSS Compliance with the Act

VZ-RI has asserted that the interfaces, gateway systems, and the underlying OSS for pre-ordering, ordering, provisioning, maintenance and repair and billing that Verizon New England (“VZ-NE”) provides to CLECs in Rhode Island are the same ones serving Massachusetts. VZ-RI stated that VZ-NE’s OSS are presently handling actual commercial volumes of CLEC transactions in Rhode Island with excellent performance.

¹⁴⁹ New York Order, ¶ 82.

¹⁵⁰ Id. at ¶ 85.

¹⁵¹ Id. at ¶ 86.

¹⁵² Id.

In addition to this real world proof of commercial performance, VZ-RI noted that VZ-NE's interfaces, support systems, and processes have been subjected to a thorough and comprehensive third-party testing in Massachusetts and passed this third-party test. KPMG has now conducted additional tests in Rhode Island to confirm the sameness of those systems and processes in Rhode Island and Massachusetts and has examined specific additional areas requested by the RIPUC that were not covered in the Massachusetts test. VZ-RI noted that it also passed these tests. VZ-RI noted that, based on its evaluation, KPMG found that "[i]n totality, these results lead KPMG Consulting to believe that were we to have conducted a full-scale OSS evaluation on the magnitude of the Massachusetts test, Verizon Rhode Island would have demonstrated equivalent or superior results."¹⁵³

VZ-RI noted that few claims of OSS performance failures were raised during the course of the Rhode Island 271 proceeding. According to VZ-RI, of those claims made, most were isolated incidents that have been addressed. VZ-RI maintained that its handling of actual commercial transactions and the extensive testing of its interfaces, support systems, and processes, demonstrate that VZ-RI provides CLECs in Rhode Island with non-discriminatory access to its OSS, allowing them to offer local service in substantially the same time and manner as VZ-RI and a meaningful opportunity to compete as required by the FCC.¹⁵⁴

VZ-RI pointed out that the FCC has concluded that Verizon had met its OSS obligations in New York and Massachusetts – the latter as recently as April of 2001.¹⁵⁵ VZ-RI noted that in both instances, the FCC based its conclusions on a review of the

¹⁵³ Verizon's Post-Hearing Brief, p. 175-76, citing KPMG RI Report, p. 13.

¹⁵⁴ Verizon's Post-Hearing Brief, p. 176.

evidence presented by Verizon and other parties, on the performance results reported in Verizon's C2C Performance Reports for the respective states, on the independent third-party reports of KPMG relating the findings from its lengthy and comprehensive tests of Verizon's OSS in New York and Massachusetts, and on the favorable recommendations of the NYPSC and the Massachusetts DTE. VZ-RI further noted that the FCC has specifically declared that its conclusions are based on "the totality of the evidence," rather than any specific individual aspect of Verizon's service to CLECs in the respective states.¹⁵⁶

VZ-RI asserted that its OSS in Rhode Island are the same as those employed in Massachusetts.¹⁵⁷ Furthermore, VZ-RI maintained that its conclusion is underscored by the results of the KPMG testing conducted for Rhode Island.¹⁵⁸

B. Independent Third-Party Testing

The FCC has given great weight to the results of the thorough third-party testing conducted in assessing Verizon's OSS compliance with the Act in New York and Massachusetts.¹⁵⁹ VZ-RI noted that the FCC has also explicitly endorsed the use of evidence from related jurisdictions to demonstrate compliance with the Act.¹⁶⁰

VZ-RI stated that the common VZ-NE OSS and interfaces have already been subject to a comprehensive third-party evaluation by KPMG and Hewlett-Packard Consulting ("HPC") in Massachusetts, under the guidance and oversight of the

¹⁵⁵ Id. at 121; See Massachusetts Order, ¶¶ 43-49.

¹⁵⁶ Id. at 121; See New York Order, ¶ 82.

¹⁵⁷ See, e.g., Verizon RI 271 Filing - OSS Declaration, ¶¶ 16, 20-22, and associated detailed comparison Tables 1 and 2.

¹⁵⁸ Verizon's Post-Hearing Brief, p. 121.

¹⁵⁹ Id. at 122, citing New York Order, ¶¶ 10, 96-100; Massachusetts Order, ¶¶ 44-49.

¹⁶⁰ Verizon's Post-Hearing Brief, p. 122, noting that on January 22, 2001, the FCC approved SBC's 271 request for the Provisioning of In-Region, InterLATA Services in Kansas and Oklahoma. In reaching its conclusion that SBC had demonstrated that it provides non-discriminatory access to its OSS, the FCC

Massachusetts DTE. VZ-RI explained that KPMG designed the Massachusetts test to address all stages of a CLEC's relationship with VZ-NE, including the initial establishment of the relationship, daily operations, and the ongoing relationship. KPMG included each of the potential service delivery methods a CLEC might use – resale, unbundled network elements, unbundled network element platforms, and other combinations of unbundled network elements – in its test. In conclusion, VZ-RI emphasized that the KPMG review found an outstanding level of VZ-NE achievement and the FCC concluded that this KPMG testing and results provided “persuasive evidence of Bell Atlantic’s OSS readiness.”¹⁶¹

VZ-RI asserted that the OSS systems, interfaces, documentation, policies and procedures are the same in Rhode Island and Massachusetts.¹⁶² Therefore, VZ-RI maintained that the results achieved in the Massachusetts test are directly applicable to Rhode Island as well. VZ-RI asserted that in its Kansas/Oklahoma Order, the FCC noted the importance of regional OSS systems in the evaluation of OSS for a state within the regional system.¹⁶³

VZ-RI explained that there were two dimensions to KPMG’s evaluation of VZ-NE’s OSS in Rhode Island: a “sameness” review and three separate standalone tests of specific performance areas. According to VZ-RI, the tests in both of these areas were successful.¹⁶⁴

relied on the detailed evidence SBC provided about its service in these states and, in certain instances, the FCC’s prior findings in the Texas Order. Id., citing Kansas/Oklahoma Order, ¶ 106.

¹⁶¹ Verizon’s Post-Hearing Brief, p. 122, citing Massachusetts Order, ¶ 146.

¹⁶² Verizon’s Post-Hearing Brief, p. 122; See Verizon RI 271 Filing – OSS Declaration, ¶¶20-21.

¹⁶³ Verizon’s Post-Hearing Brief, pp. 122-23 citing Kansas/Oklahoma Order, ¶ 108. In that Order, the FCC stated: “We conclude that SWBT, through the Ernst & Young report and other aspects of its application, provides reliable evidence that the OSS systems in Texas are relevant and should be considered in our evaluation of SWBT’s OSS in Kansas and Oklahoma.” Kansas/Oklahoma Order, at ¶ 108.

¹⁶⁴ Verizon’s Post-Hearing Brief, p. 123, citing KPMG RI Report.

1. KPMG “Sameness” Testing

VZ-RI indicated that under the direction of the RIPUC, KPMG conducted a comprehensive assessment of the “sameness” of VZ-NE’s systems, interfaces and processes in Rhode Island and Massachusetts by comparing the OSS systems, interfaces and processes in Rhode Island with those evaluated in Massachusetts. As in the earlier Massachusetts test, KPMG’s review included all stages of the CLEC-ILEC relationship, including establishing the relationship, performing daily operations, and maintaining the relationship.¹⁶⁵ The KPMG review of VZ-NE’s OSS in Rhode Island utilized the KPMG test results in Massachusetts as a starting point and consisted of numerous independent analyses to reach conclusions concerning sameness. Again, each of the VZ-NE service delivery methods – resale, unbundled network elements, unbundled network element platforms, and combinations of unbundled network elements – are included in the scope of the review.¹⁶⁶

VZ-RI explained that KPMG’s “sameness” test also addressed each of the OSS areas previously studied in Massachusetts: Preordering/Ordering/Provisioning; Maintenance and Repair; Billing, and Relationship Management Infrastructure. Further, it included a review of Performance Metrics Reporting. In each area, KPMG identified “operating elements” that provided the basis for its concluding sameness for a particular test target.¹⁶⁷ These individual elements included System or Interface, Process, Personnel, Facilities, Management Structure, and Performance Measures. VZ-RI pointed

¹⁶⁵ Verizon’s Post-Hearing Brief, p. 124, citing KPMG RI Report, p. 6.

¹⁶⁶ Id.

¹⁶⁷ Id., citing KPMG RI Report, p. 10.

out that KPMG employed two fundamental types of tests, operational sameness tests and transaction-driven tests.¹⁶⁸

KPMG categorized its findings into three categories, indicating that it did not expect the associated operating elements “to remain static over time.”¹⁶⁹ Accordingly, it assigned an observation to Category 1 where there was no change, or where changes “reflect typical business enhancements that are incremental in nature.”¹⁷⁰ Where KPMG had observed “substantial changes in one of the operating elements since the time of the Massachusetts test,” KPMG assigned an observation to either Category 2 or Category 3. VZ-RI emphasized that Category 2 was assigned only if KPMG also “determined that no material differences existed with regard to the associated functionality or roles and responsibilities from the time of the Massachusetts test.”¹⁷¹ KPMG assigned the change to Category 3 if it observed “a material difference in functionality or roles and responsibilities.”¹⁷²

¹⁶⁸ Verizon’s Post-Hearing Brief, p. 124, citing KPMG RI Report, p. 7 and quoting Tr. 10/9/01, pp. 43-4. KPMG explained the validity of its testing at the hearing, stating:

[W]e designed a test that was slightly different than the test that KPMG Consulting has traditionally done because it was designed to look at whether or not the systems, processes et cetera, in Rhode Island were the same as those systems, processes, et cetera, that had provided the satisfactory result or the satisfied results that our report in Massachusetts produced, but it was also done with the almost “I’m from Missouri” approach because we really didn’t want to – there was a hypothesis that things were the same and we just didn’t want to accept on face value – any of that hypothesis.

[W]e built a test plan that included a lot of transactional testing so that the plan was very robust and only didn’t look and make sure that the systems and the processes and people were qualitatively the same. In other words, I went to the work center and it was the same work center, or I went out and it was the same person I interviewed when I was in Massachusetts, or if it wasn’t the same work center, they were using the same processes, same work structure and we supplemented this process with statistically significant testing in its own right to see if the outputs of those processes were the same for Rhode Island and Massachusetts.

Tr. 10/9/01, at 43-44.

¹⁶⁹ Verizon’s Post-Hearing Brief, p. 125, citing KPMG RI Report, p. 10.

¹⁷⁰ Id. at 10.

¹⁷¹ Id.

¹⁷² Id.

VZ-RI characterized the majority of KPMG findings as falling into Category 1, with fewer falling into Category 2. VZ-RI noted that in only one case, Metrics Change Control, did KPMG find that a material change (Category 3) had occurred. VZ-RI emphasized that here, KPMG testified specifically that the change was an improvement to the process it observed in Massachusetts.¹⁷³

KPMG also based its results on specific transaction testing of VZ-RI's performance in the areas of Preordering, Ordering, Provisioning and Billing. VZ-RI noted that KPMG determined that most evaluation measures showed "the results to be the same as those of the Massachusetts test."¹⁷⁴ VZ-RI asserted that in most cases where a difference was identified, the Rhode Island results were superior. VZ-RI pointed out that there were only three cases where the Rhode Island results were not clearly superior; however, in these cases, KPMG concluded that "the Rhode Island results would have satisfied the criterion in a stand-alone test."¹⁷⁵

Based on both types of detailed analyses, VZ-RI noted that KPMG concluded that the Rhode Island test results confirm a high-degree of sameness between the operating elements as evaluated by KPMG during its test in Massachusetts and the operating elements as evaluated by KPMG during its test in Rhode Island across all five functional domains.¹⁷⁶

¹⁷³ Id., citing Tr. 10/9/01, at 66.

¹⁷⁴ Verizon's Post-Hearing Brief, p. 125, citing KPMG RI Report, p. 13.

¹⁷⁵ Verizon's Post-Hearing Brief, pp. 125-26, citing KPMG RI Report, p. 13, quoting Tr. 10/9/01, pp. 68-72.

¹⁷⁶ Verizon's Post-Hearing Brief, p. 126, citing KPMG RI Report, p. 13, in which KPMG stated:

KPMG Consulting evaluated 786 test targets to confirm the degree of operational sameness between the two jurisdictions. Only in a single area, Metrics Change Management, did we conclude that there existed material differences in the operating elements of a sub-process. It is important to note that these observed differences reflected enhancements to the process evaluated during the Massachusetts test.

2. Stand-alone Testing

VZ-RI pointed out that at the direction of the RIPUC, KPMG also conducted stand-alone testing on three items that were not included in the Massachusetts test: Line Sharing, Line Loss Reports and Electronic Jeopardies. KPMG concluded that VZ-RI received a “Satisfied” result in its testing on Line Sharing (Test POP 4-3-2) and the Line Loss Report testing (Test POP 4-3-1).¹⁷⁷

In the other test area, Electronic Jeopardies (Test POP 1-17-1, -2, and -3), KPMG assigned an “inconclusive” finding because of “the limitations associated with attempts to ‘force’ electronic jeopardies.”¹⁷⁸ VZ-RI emphasized that the test results were inconclusive because KPMG could not identify enough orders in Rhode Island that were in jeopardy – since VZ-RI’s on-time order provisioning exceeded 98%.¹⁷⁹ Thus, there was no operational need for the jeopardy report at all. VZ-RI noted that KPMG stated, “there’s not a huge number of orders, and the vast majority of those are provisioned on time, so the opportunity to see a jeopardy notice is very limited.”¹⁸⁰ VZ-RI pointed out that of 400 orders examined, only 10 were seen to require jeopardy notices (2.5%) and only 4 did not receive the appropriate notice (1.0%). However, 3 of these 4 orders received an equivalent notice – albeit on a general query form rather than a query on a specific jeopardy form – from National Market Center (“NMC”) service representatives, for an overall 0.25% missing notice rate. Again VZ-RI quoted KPMG as stating, “in

In all remaining test target cases, KPMG Consulting found that the systems or interfaces, processes, personnel, facilities, management structures, and performance measures were the same in both jurisdictions.

KPMG RI Report, p. 13.

¹⁷⁷ Verizon’s Post-Hearing Brief, p. 126.

¹⁷⁸ Id. at 126, quoting KPMG RI Report, p. 13.

¹⁷⁹ Verizon’s Post-Hearing Brief, p. 126-27, citing KPMG RI Report, p. 13.

¹⁸⁰ Verizon’s Post-Hearing Brief, p. 127, quoting Tr. 10/9/01, p. 40.

three instances where a SEM or query was sent, it did contain the same information, it was the same form, the form designator [field] was a SEM instead of an electronic jeopardy.”¹⁸¹

3. KPMG Test Conclusions

VZ-RI summarized KPMG’s test conclusion, quoting, “[i]n totality, these results lead KPMG Consulting to believe that were we to have conducted a full-scale OSS evaluation on the magnitude of the Massachusetts test, Verizon Rhode Island would have demonstrated equivalent or superior results.”¹⁸²

In addition, VZ-RI asserted that the commercial operations data provided in its Checklist Declaration and Measurements Declaration, supported by KPMG’s testing, provides the RIPUC with ample evidence to conclude that Verizon provides non-discriminatory access to its operational support systems to CLECs operating in Rhode Island, just as the Massachusetts DTE and the FCC concluded for these same OSS in Massachusetts.¹⁸³

¹⁸¹ Verizon’s Post-Hearing Brief, p. 127, citing KPMG RI Report, pp. 29-30; Table 1-11 attached thereto; Tr. 10/9/01, p. 35.

¹⁸² Verizon’s Post-Hearing Brief, p. 128, quoting KPMG RI Report, p. 13. At the hearing, KPMG’s witness also testified, “I’m extremely confident in that conclusion or I wouldn’t have put it in my report and none of my team would have let me put it in the report. We did an exhaustive test of sameness. We went into virtually every work center that is used to support both Verizon-Rhode Island and Verizon-Massachusetts. We did a careful, objective study analysis of the processes and the people... .In addition, because we were really from Missouri on this, we did transaction testing that at certain levels is statistically significant on a stand alone basis for Rhode Island and the results really do speak for themselves. In most categories Verizon’s results were either statistically the same or better than the results that we received using a statistically significant sample size in Massachusetts. So I think that’s a very well formed and well founded statement and I don’t think that there’s anything in our report that contradicts that.” Tr. 10/9/01, pp. 75-76.

¹⁸³ Verizon’s Post-Hearing Brief, p. 128.

C. OSS Overview

VZ-RI stated that the VZ-NE OSS and the interfaces through which CLECs obtain access to them, support interconnection arrangements, resale of VZ-NE's services, and UNEs, including the UNE-P in Rhode Island as elsewhere.¹⁸⁴

VZ-RI maintained that the system support and assistance VZ-NE provides to CLECs in Rhode Island and elsewhere in its former Bell Atlantic service areas includes a change management process for managing the life cycle of changes that affect OSS interfaces and CLEC business practices, and carrier-to-carrier testing procedures for VZ-NE's application-to-application interfaces. In addition, VZ-RI indicated that it provides extensive documentation and training for CLECs along with a help desk, known as the Wholesale Customer Care Center ("WCCC"), that is available 24 hours a day, seven days a week.¹⁸⁵

VZ-RI asserted that VZ-NE provides CLECs with non-discriminatory access to its OSS, allowing them to offer local service in "substantially the same time and manner" as VZ-RI. In order to comply with the Local Competition First Report and Order, VZ-RI stated that it has deployed the necessary systems and personnel to provide competing carriers in Rhode Island with non-discriminatory access to each of the necessary OSS functions, and has adequately assisted competing carriers in understanding how to implement and use all of the OSS functions available to them.¹⁸⁶

¹⁸⁴ Id. at 129. VZ-NE provides application-to-application interfaces for pre-ordering and ordering and an electronic bonding interface for maintenance and repair that enable CLECs to integrate these functions in their own systems. VZ-NE also provides a web-based Graphical User Interface for pre-ordering, ordering, and maintenance and repair functions. The interfaces through which CLECs obtain access to these OSS are consistent with industry guidelines and standards where such standards exist. Verizon RI 271 Filing – OSS Declaration, ¶ 14.

¹⁸⁵ Verizon's Post-Hearing Brief, p. 129; Verizon RI 271 Filing – OSS Declaration, ¶ 15.

¹⁸⁶ Verizon's Post-Hearing Brief, p. 129-30, citing Local Competition First Report and Order. Specifically, VZ-RI indicated that VZ-NE has developed an extensive array of systems to meet the pre-ordering,

VZ-RI acknowledged that there were a few limited complaints noted at the OSS hearings; however, VZ-RI argued that none of these even remotely approach an impairment of the CLECs' "meaningful opportunity to compete" in Rhode Island.¹⁸⁷ VZ-RI explained that the FCC has said that such isolated claims do not defeat a Section 271 applicant's proof of compliance with the Act.¹⁸⁸

VZ-RI asserted that the record established in Rhode Island's 271 proceeding shows that VZ-RI meets the § 271 criteria established by the FCC, just as Verizon did in New York, Connecticut and Massachusetts, because VZ-NE's OSS and interfaces are demonstrating more than satisfactory performance in handling commercial volumes of CLEC transactions in Rhode Island.¹⁸⁹ For example, VZ-RI noted that during the month of August 2001, 47 competing carriers were recognized by the systems as submitting pre-order or order transactions in Rhode Island via the electronic interfaces provided by VZ-NE.¹⁹⁰ VZ-RI also asserted that it has shown over time that it is able to handle growing volumes of total commercial activity with its OSS in New York and New England (including Rhode Island). VZ-RI asserted that VZ-NE has more than met the FCC's challenge to show in Rhode Island "that OSS functions are operationally ready [with] actual commercial usage in the state for which the BOC seeks 271 authorization."¹⁹¹

ordering, provisioning, maintenance and repair, and billing needs of CLECs. According to VZ-RI, the electronic interfaces provided by VZ-NE enable competing carriers to obtain access to the information and functions in its OSS in substantially the same time and manner as VZ-NE does for its own retail operations. VZ-RI noted that access to VZ-NE's OSS is provided for in Rhode Island in accordance with various interconnection agreements and through the Rhode Island Resale Tariff. *Id.*

¹⁸⁷ Verizon's Post-Hearing Brief, p. 130. VZ-RI asserted that the paucity of such complaints indicates that the issues raised are isolated and not systematic. *Id.*

¹⁸⁸ Verizon's Post-Hearing Brief, p. 130, citing New York Order, ¶¶ 50-53.

¹⁸⁹ Verizon's Post-Hearing Brief, p. 130.

¹⁹⁰ *Id.* at 130-31.

¹⁹¹ *Id.* at 131, citing Kansas/Oklahoma Order, ¶ 104.

D. Pre-Order OSS

1. Pre-Ordering Systems and Functionality

With respect to the Pre-ordering function, VZ-RI asserted that the FCC has noted favorably that Verizon offers requesting carriers an industry-standard application-to-application pre-ordering interface to integrate pre-ordering and ordering functions. Verizon makes available to requesting carriers all the functionality that it provides to itself through this and other pre-ordering interfaces.¹⁹² VZ-RI stated that it demonstrated that Verizon provides CLECs with the same pre-order systems and functionality in Rhode Island as it does in New York and Massachusetts. The record also shows that VZ-RI service representatives and CLEC employees obtain the same pre-ordering information from the same OSS.¹⁹³

VZ-RI explained that in New York and Massachusetts, Verizon has made three electronic interfaces available: (1) a Web-based Graphical User Interface (“Web GUI”); (2) an application-to-application interface based on the industry standard Electronic Data Interchange (“EDI”) Issues 9 & 10 protocol; and (3) a second application-to-application pre-ordering interface, Common Object Request Broker Architecture (“CORBA”).¹⁹⁴ The same pre-order interfaces provide the same functionality in Rhode Island as in Massachusetts.¹⁹⁵

¹⁹² Verizon’s Post-Hearing Brief, p. 131, citing New York Order, ¶ 128; Massachusetts Order, ¶ 50.

¹⁹³ Id. KPMG verified that the pre-order systems and functionality is the same in Rhode Island as in Massachusetts. Id., citing KPMG RI Report, at 24-28.

¹⁹⁴ Verizon’s Post-Hearing Brief, p. 132, citing New York Order, ¶ 132; Massachusetts Order, ¶¶ 52-53. These systems permit CLECs to perform the following pre-order functions: (1) retrieve CSRs; (2) validate addresses; (3) select telephone numbers; (4) determine services and features available to a customer; (5) obtain due date availability; (6) access loop qualification information; and (7) view a customer’s directory listings. The FCC also specifically noted that CLECs “can also check the status of pending orders.” Verizon’s Post-Hearing Brief, p. 132, citing New York Order, ¶ 132.

¹⁹⁵ Verizon’s Post-Hearing Brief, p. 132 (citations omitted). As in Massachusetts and New York, VZ-RI indicated that it offers CLECs several connectivity options for exchanging electronic transactions with Verizon using application-to-application interfaces: dial-up (asynchronous/bisynchronous), dedicated line,

2. Pre-Order System Performance and Volumes

VZ-RI noted that the FCC also found that Verizon had shown in Massachusetts and New York, through response times and interface availability performance data and third-party testing, that its pre-ordering interfaces and systems are operationally ready.¹⁹⁶ VZ-RI asserted that it has produced these same measurements for Rhode Island in its C2C Performance Reports.¹⁹⁷

VZ-RI explained that with respect to system response times, the FCC supported the use of the “parity plus four seconds” standard established by the NYPSC (and used now in C2C Performance Reports for Massachusetts and Rhode Island), to prove that Verizon processes pre-order transactions for CLECs “in substantially the same time” that it processes its own pre-order transactions.¹⁹⁸ VZ-RI pointed out that although VZ-NY had missed the standard by a small margin in some circumstances, the FCC held that the slight variations in response times “are not likely to impair the ability of a competing carrier to negotiate a service order while a customer is on the line.”¹⁹⁹ VZ-RI noted that its response times are now substantially better than those earlier demonstrated in New York and are on a par with the results in Massachusetts, with results in Rhode Island consistently showing less than the 4-second differential. Further, VZ-RI asserted that excellent results have also been recorded for the Web GUI and CORBA pre-order interfaces.²⁰⁰

and Internet/Public Network. CLECs decide which connectivity method to use, based upon their own criteria. Detailed specifications along with the benefits associated with each of these options are provided in Volume II of the CLEC/Resale Handbooks. VZ-RI noted that these Handbooks can be found on Verizon’s Wholesale Services Web site. *Id.*

¹⁹⁶ Verizon’s Post-Hearing Brief, p. 133, citing New York Order, ¶ 128; Massachusetts Order, ¶¶ 52-53.

¹⁹⁷ Verizon’s Post-Hearing Brief, p. 133.

¹⁹⁸ *Id.*, citing New York Order, ¶ 146; Massachusetts Order, ¶ 53.

¹⁹⁹ Verizon’s Post-Hearing Brief, p. 133, quoting New York Order, ¶ 147.

²⁰⁰ Verizon’s Post-Hearing Brief, p. 133.

In addition, VZ-RI explained that the FCC also found that the “parity plus 10 seconds” standard, agreed upon in the New York collaborative process (and used in Massachusetts and Rhode Island), was an appropriate measurement for parsed CSR retrieval.²⁰¹ VZ-RI noted that the OSS performance for CSR retrievals has also demonstrated results for VZ-RI that is consistently better than this standard.²⁰²

VZ-RI explained that in New York and Massachusetts, the FCC found that Verizon’s interfaces in those two states were sufficiently available, based on C2C performance data.²⁰³ VZ-RI asserted that it uses the same interface measures in Rhode Island that the FCC approved for Massachusetts and New York.²⁰⁴ VZ-RI pointed out that the measurements data show that the EDI, Web GUI and CORBA interfaces were available far more than 99% of the time they were scheduled to be available during prime time for the entire period from March through August 2001.²⁰⁵

VZ-RI noted that the FCC found that the Verizon pre-order systems and interfaces in Massachusetts and New York are scalable to handle reasonable foreseeable demand

²⁰¹ Id., citing New York Order, ¶ 152. This standard reflects the fact that, unlike other pre-ordering transactions, VZ-RI must perform the additional step of parsing CSR information into identifiable fields prior to sending the information to the CLEC. Verizon’s Post Hearing Brief, pp. 133-34.

²⁰² Verizon’s Post-Hearing Brief, p. 134.

²⁰³ Verizon’s Post-Hearing Brief, p. 134, citing New York Order, ¶ 156; Massachusetts Order, at ¶ 53. VZ-RI noted that in doing so, the FCC agreed that a distinction made in the C2C measurements between prime and non-prime hours was reasonable and, further, that the changes planned to the EnView measurements used to calculate interface availability were positive. VZ-RI emphasized that the FCC found that the instances of limited unavailability reflected in these data did not deny a CLEC a meaningful opportunity to compete. VZ-MA’s pre-order interfaces “are consistently available in a manner that affords competitors a meaningful opportunity to compete.” Verizon’s Post-Hearing Brief, p. 134, citing New York Order, ¶¶ 155-56; Massachusetts Order, ¶¶ 50, 53.

²⁰⁴ Verizon’s Post-Hearing Brief, p. 134. Further, as VZ-RI explained in its Measurements Declaration, it uses the revised EnView calculations referenced favorably in the New York Order. Verizon RI reports the availability of the interfaces provided to CLECs during both “prime time” (6:00 a.m. to 12 midnight Eastern time, Monday through Saturday) and “non-prime time” (12:01 a.m. to 5:59 a.m. Eastern time, Monday through Saturday; all day Sunday and holidays).

²⁰⁵ Verizon’s Post-Hearing Brief, p. 134. VZ-RI asserted that the record also shows that it seeks to minimize downtime and when possible to schedule the downtime for the least frequently used time periods. Id.

volumes.²⁰⁶ VZ-RI noted that the VZ-NE pre-order systems and interfaces are now handling over 1.6 million transactions a month with 20.2 million region-wide in 2001 and 210,000 transactions in RI.²⁰⁷ VZ-RI asserted that the response time data addressed demonstrates VZ-NE's ability to manage capacity and to scale these systems to meet growing demand.²⁰⁸

Finally, with respect to the integration of pre-order and ordering systems, VZ-RI noted that the FCC found that in New York and Massachusetts, Verizon had made its pre-order and ordering OSS "readily integratable."²⁰⁹ In approving the Massachusetts 271 application, the FCC also found that "Verizon has shown that it allows competing carriers to integrate successfully pre-ordering information into Verizon's ordering interfaces and the carriers' back office systems."²¹⁰ VZ-RI asserted that the same conclusion should be reached with respect to Rhode Island.

E. Ordering OSS

With respect to the OSS ordering function, VZ-RI maintained that the FCC found that Verizon provides CLECs in New York and Massachusetts with non-discriminatory access in accordance with the requirements of Section 271. According to VZ-RI, the FCC also found that Verizon's systems are able to meet reasonably foreseeable commercial volumes in the future. Finally, the FCC determined that Verizon provides

²⁰⁶ Verizon's Post-Hearing Brief, p. 135. VZ-RI noted that the FCC relied upon the actual volumes being handled by these systems. VZ-RI further indicated that the FCC also noted that KPMG had found that Verizon had the tested capability in place to meet future volumes and found that "its systems have sufficient capacity to meet expected future usage volumes." Id., citing New York Order, ¶ 150; Massachusetts Order, ¶ 52.

²⁰⁷ Verizon's Post Hearing Brief, p. 135.

²⁰⁸ Id.

²⁰⁹ Id.

²¹⁰ Id., quoting Massachusetts Order, ¶ 52. VZ-RI indicated that CLECs in Rhode Island utilize the same interfaces. Moreover, in its Massachusetts test, KPMG was able to design its systems to integrate pre-

order completion notices to CLECs “in a manner that affords an efficient competitor a meaningful opportunity to compete.”²¹¹

1. Ordering Systems and Interfaces

VZ-RI stated that the FCC noted that Verizon’s systems provide competing carriers with electronic access for a full range of ordering functionality.²¹² VZ-RI explained that the ordering interfaces and gateway systems that CLECs use in Rhode Island are identical to those used in Massachusetts. In fact, according to VZ-RI, the underlying OSS are the same throughout New England.²¹³ During May 2001, thirteen carriers used EDI in Rhode Island to submit Local Service Reports (“LSRs”). As of the end of May 2001, there were nineteen CLECs certified to use EDI and two more in the certification process. As of the end of August 2001, the number of carriers certified to use EDI in Rhode Island had grown to 30, with one other carrier in progress. In August, as in May 2001, over 30 CLECs used the Web GUI to submit LSRs in Rhode Island.²¹⁴

VZ-RI indicated that it currently offers two industry standard versions of the Local Service Order Guidelines (“LSOG”) for each of the ordering interfaces. The first is LSOG 4, which is associated with EDI Issue 10/ELMS 4 and was in place when the FCC approved the Massachusetts 271 application. The second (LSOG 5) is an updated version of the interface, which is associated with EDI issue 11/ELMS 5. LSOG 5 was introduced on October 22, 2001, in accordance with industry standards and the VZ-NE OSS Change Management Process. VZ-RI indicated that it would continue to support

ordering and ordering functions. VZ-RI asserted that those results apply equally to Rhode Island. *Id.* (citations omitted).

²¹¹ Verizon’s Post-Hearing Brief, p. 136, quoting New York Order, ¶ 187, Massachusetts Order, ¶ 83.

²¹² Verizon’s Post-Hearing Brief, p. 136, citing New York Order, ¶ 159, Massachusetts Order, ¶ 70.

LSOG 2 orders in the pipeline for 30 days. VZ-RI stated that its support for CLECs in Rhode Island has enabled all 39 of them to make the transition to LSOG 4 on a schedule that was convenient for them within a reasonable time. These systems allow CLECs to order both UNEs – including combinations of UNEs such as UNE-P – and resold services. According to VZ-RI, these ordering systems continue to support growing volumes of CLEC order activity, amounting to over 4.6 million LSRs in New York/New England in 2001 through the month of August.²¹⁵

2. Order Flow-Through/Order Rejects

According to VZ-RI, the vast majority of resale and UNE LSRs are submitted electronically through the EDI and Web GUI interfaces. Many of these LSRs are designed to flow-through VZ-NE's interface and gateway systems to the Service Order Processor ("SOP") without manual intervention, and continue automatically into the provisioning systems.²¹⁶

VZ-RI explained that there are various types of orders that are designed to flow-through. VZ-RI also noted that there are several reasons why LSRs might not pass these edits and therefore would not flow-through. In some cases, the order scenario or specific

²¹³ Verizon's Post-Hearing Brief, p. 136. VZ-RI stated that as in Massachusetts, CLECs in Rhode Island have a choice of two interfaces for submitting resale and UNE LSRs (including LSRs for DSL loops and line sharing) – EDI and the Web GUI. *Id.*

²¹⁴ Verizon's Post-Hearing Brief, p. 136.

²¹⁵ *Id.* at 136-37. In addition, for ordering certain arrangements like interconnection trunks that resemble access-type services, VZ-RI indicated that, like VZ-NY and VZ-MA, it provides Connect:Direct (formerly called Network Data Mover or NDM). Connect:Direct is a well-established industry standard protocol for exchanging information within and between telecommunications carriers, and has traditionally been used by Verizon to receive access service requests from interexchange carriers. CLECs may order interconnection trunks and other access-type services by submitting an access service request ("ASR") over Connect:Direct, using the Web-based Carrier Services Gateway ("CSG") system, (which is also provided to IXC's), or by faxing their orders. *Id.* at 137.

²¹⁶ Verizon's Post-Hearing Brief, p. 137, "Flow-through" is defined as the process where an LSR submitted through the EDI or Web GUI interface is routed first to the gateway systems and then to the SOP where it is confirmed, without the assistance of a human representative in the NMC. *Id.* at 137-38 (citations omitted).

product on the LSR may not be designed to flow-through. In other situations, LSRs may be submitted with incorrect information as defined by the business rules. In still other cases, the data to be derived for use in the back-end OSS may not be accessible or available, or the information provided on the LSR may not match the data in the back-end OSS. When the request does not pass these edits, the LSR is either queried back to the CLEC or it is sent to the NMC for manual processing.²¹⁷

VZ-RI stated that orders requiring manual handling by the NMC are automatically directed by the system to the appropriate work group based on order type. There, the NMC representative processes any orders that are not designed to flow-through or that fail to flow-through as the result of an error. VZ-RI noted that, an important aspect was that the NMC representative also reviews those orders and, if a discrepancy is uncovered that requires input from the CLEC, the representative sends a query to the CLEC for clarification.²¹⁸

VZ-RI noted that the FCC has stated that “it would be inappropriate to consider order flow-through rates as the sole indicia of parity.”²¹⁹ VZ-RI maintained that the FCC indicated that Verizon’s ability to return timely order confirmation notices, to accurately process manual orders, and to scale its systems was more relevant and probative to the FCC’s analysis than a simple flow-through analysis.²²⁰ VZ-RI also pointed out that its total flow through performance (OR5-01) for both Resale and UNE orders for the period

²¹⁷ Verizon’s Post-Hearing Brief, p. 138.

²¹⁸ Id. at 138.

²¹⁹ Id., quoting New York Order, ¶ 161.

²²⁰ Verizon’s Post-Hearing Brief, pp. 138-39, citing New York Order, ¶ 163; Massachusetts Order, ¶ 81.

preceding VZ-RI's 271 filing was made exceeds the levels reached in Massachusetts when the 271 review process was completed in that state.²²¹

VZ-RI stated that one of the factors that is important in achieving high order flow-through levels, and low order "fallout" levels (to manual processing) and/or infrequent order rejection, is the care with which CLECs prepare their orders. VZ-RI noted that although some Resellers have been able to achieve high flow-through rates and low rates of order rejection, others have experienced far poorer results. VZ-RI further noted that similar variations in order reject rates results also prevail with respect to UNE providers.²²² VZ-RI emphasized that the FCC found that the observed variations in individual CLEC experiences in their respective flow-through/reject rate success level indicate that Verizon cannot be held solely responsible for the results.²²³

In its effort to increase the number of the LSRs that flow-through the systems, VZ-RI pointed out that it analyzes LSRs that do not flow-through to identify and determine whether CLEC education or system enhancements are appropriate. VZ-RI also stated that in order to assist CLECs in performing their own analyses of the causes that prevent their LSRs from flowing through, VZ-RI will create a report of flow-through errors by individual CLEC and by mode-of-entry.²²⁴

²²¹ Verizon's Post-Hearing Brief, p. 139.

²²² Id.

²²³ Id., citing New York Order, ¶ 175, asserting that the FCC's conclusion in New York that Bell Atlantic's [Verizon's] evidence that order rejection rates vary from 3 percent to greater than 70 percent "strongly implies that the care a competing carrier takes in submitting its orders makes a significant difference in the rate at which its orders are rejected." See e.g., New York Order, ¶ 175.

²²⁴ Verizon's Post-Hearing Brief, pp. 139-40. This information is made available to CLECs requesting it through Change Management. Id. at 140.

3. Ordering Processing and Status Notices

VZ-RI noted that the FCC has determined that the timely provision of order confirmation notices was an important element in evaluating a § 271 Application.²²⁵ VZ-RI explained that its ordering OSS is designed to provide either a Local Service Request Confirmation (“LSRC”) or a Local Service Request Rejection (rejection notice) once an order is received, in the same manner as in New York and Massachusetts. According to VZ-RI, these notices are returned to the CLEC over the same interface the CLEC used to submit the LSR, irrespective of whether they were generated by either the mechanized or manual processing of the order itself.²²⁶ VZ-RI asserted that Verizon’s performance for timely order processing was previously subject to the standards established for mechanized and manually processed order confirmation and rejection notices in the New York C2C guidelines – now adopted in both Massachusetts and Rhode Island. The FCC stated that these standards provide “a reasonable measure of whether Bell Atlantic [Verizon] processes an order in a manner that provides an efficient competing carrier with a meaningful opportunity to compete.”²²⁷

VZ-RI asserted that in assessing Verizon’s performance in New York, the FCC found that “[it] generally meets these standards, and where Bell Atlantic [Verizon] has fallen short of the standards, the shortfall has not been significant.”²²⁸ VZ-RI asserted that the same holds true for Rhode Island. Indeed, according to VZ-RI, the C2C

²²⁵ Verizon’s Post-Hearing Brief, p. 140, citing New York Order, ¶ 159, Massachusetts Order, ¶¶ 71, 74.

²²⁶ Verizon’s Post-Hearing Brief, p. 140.

²²⁷ Id. at 141, quoting New York Order, ¶ 60.

²²⁸ Verizon’s Post-Hearing Brief, p. 141, quoting New York Order, ¶¶ 160, 164-165 (UNEs), 180 (Resale); see also Massachusetts Order, ¶¶ 71, 74.

performance measurements show that VZ-RI has been providing LSRCs and rejection notices, as appropriate, on a timely basis.²²⁹

In addition, VZ-RI indicated that it reports several measures to track status notifiers that are based on some of the measures originally developed in a March 9, 2000 Consent Decree between the FCC and Verizon. These metrics measure Verizon's timeliness and "completeness" in returning acknowledgements to CLECs (OR-8-01 and OR-9-01) and its "completeness" in returning confirmations or reject notices to CLECs (OR-7-01). According to VZ-RI, its performance on all of these measures from March through August 2001 has also consistently met or bettered the established standard in Rhode Island.²³⁰

VZ-RI also stated, that like Verizon in New York and Massachusetts, VZ-RI measures the accuracy of its order processes in several ways. VZ-RI asserted that a review of these measures in New York and Massachusetts demonstrated to the FCC that it processes orders accurately in both of those states.²³¹ According to VZ-RI, Verizon also processes orders accurately in Rhode Island.²³² VZ-RI explained that the C2C Performance Reports contain three measures of the accuracy with which orders requiring manual intervention from Verizon are processed: Percent Accuracy-Orders; Percent Accuracy-Opportunities; and Percent Accuracy-LSRC. VZ-RI indicated that it exceeded the 95% benchmark for the Opportunities measure in Rhode Island throughout the period March to August 2001 each and every month for Resale, for UNE-P, and for UNE-Loop. Similarly, VZ-RI's reported results for Percent Accuracy - LSRC for the same period

²²⁹ Verizon's Post-Hearing Brief, p. 141.

²³⁰ Id.

²³¹ Id. at 142, citing New York Order, ¶¶ 171-72, Massachusetts Order, ¶ 81.

²³² Verizon's Post-Hearing Brief, p. 142.

generally exceeded 95% for Resale, for UNE-P and for UNE Loop, and frequently registered 97% or 98%. VZ-RI admitted that the results for the Percent Accuracy - Orders metric were below the objective levels. However, VZ-RI noted, this metric measures “mismatches” between the last version of the LSR submitted by the CLEC and the service orders entered into VZ-NE’s service order processor, rather than service-affecting errors.²³³

VZ-RI pointed out that the FCC previously took note of consistently strong installation quality results demonstrated by Verizon to show that CLEC orders were being processed accurately.²³⁴ VZ-RI asserted that the accuracy of NMC representative performance is also reflected in VZ-NE’s actual performance in the installation quality measures in Rhode Island. According to VZ-RI, it tracks troubles reported within 7 or 30 days of installation in Rhode Island.²³⁵ VZ-RI maintained that on these measures, Verizon has demonstrated excellent C2C results in Rhode Island for Resale-POTS and UNE-POTS orders that are usually better than, and at least comparable to, its accuracy on orders for retail customers.²³⁶

²³³ Id. at 142-43. VZ-RI indicated that in some cases, a mismatch will have no effect on the service provided to the CLEC. Adjusting the C2C results for such “mismatches” produces a Resale results generally at or above 90% and UNE-P results at or above 93%. And, even without this adjustment, VZ-RI’s reported UNE Loop performance for the Percent Accuracy – Orders measurement, the predominant form of order in Rhode Island, has met or exceeded target for each month from March through August 2001. VZ-RI emphasized that with respect to the “Service Order accuracy” measure, the FCC reported that Verizon had acknowledged that its implementation of this measurement has been problematic. New York Order, at ¶¶ 173-174.

²³⁴ Verizon’s Post-Hearing Brief, p. 143, citing New York Order, ¶ 174, 183.

²³⁵ Verizon’s Post-Hearing Brief, p. 143. This measures both service order accuracy – since an end user will report a trouble if a service ordered is not installed or is not installed correctly – and provisioning quality – since an end user will report a trouble if a newly installed service is not working properly. Id., citing New York Order, ¶ 174.

²³⁶ Verizon’s Post-Hearing Brief, p. 143.

4. Jeopardy and Completion Notices

Jeopardy Notices. VZ-RI indicated that the FCC has found that Verizon provides access to its order status and jeopardy information in a non-discriminatory manner in New York and Massachusetts.²³⁷ VZ-RI maintained that the process VZ-NE uses to inform CLECs of orders that are in jeopardy in Rhode Island is the same as the process used in Massachusetts and approved by the FCC. As in New York and Massachusetts, Verizon provides CLECs with electronic access to Open Query System (“OQS”) reports which are generated by the Work Force Administration (“WFA”) system for both provisioning and maintenance, to notify CLECs that an order (or maintenance) appointment may be in jeopardy in Rhode Island.²³⁸

VZ-RI asserted that based on the OQS process, the FCC concluded that Verizon makes order status and jeopardy information available to CLECs in a non-discriminatory manner in both New York and Massachusetts.²³⁹ VZ-RI asserted that the systems and processes for providing this information in Rhode Island are identical.²⁴⁰

VZ-RI pointed out that in the New York Order, the FCC specifically rejected the CLEC argument that Verizon’s OQS system was discriminatory because it did not “actively provide electronic jeopardy notices...” stating that “we do not require Bell Atlantic to establish a system for creating and delivering jeopardy notifications to

²³⁷ Id., citing New York Order, ¶158, Massachusetts Order, ¶ 83.

²³⁸ Verizon’s Post-Hearing Brief, p. 143. VZ-NE posts OQS reports three times each day. VZ-NE retains the reports for approximately 30 days so that CLECs can check on earlier reports, if desired. The OQS reports VZ-NE provides to CLECs were agreed to in negotiations during collaborative proceedings in New York. Verizon now provides the same reports throughout the former Bell Atlantic footprint. Id. at 143-44.

²³⁹ Verizon’s Post-Hearing Brief, p. 145, citing New York Order, ¶ 184 “[w]e conclude that the order status and jeopardy information system created by Bell Atlantic [VZ-NY] for wholesale orders is non-discriminatory because it allows competing carriers to access order status and “jeopardy” information, to the extent that it is available, in substantially the same time and manner as Bell Atlantic’s retail operations can access such information.” New York Order, ¶ 184.

²⁴⁰ Verizon’s Post-Hearing Brief, p. 145.

competing carriers that is superior to the system Bell Atlantic has for its own retail representatives or customers.”²⁴¹

VZ-RI noted that KPMG’s stand-alone test of VZ-NE’s Electronic Jeopardy process in Rhode Island (POP 1-17-1, -2, -3) was conducted in two parts. In the first part, KPMG submitted 25 orders, of which 22 were provisioned on the due date. Of the 3 orders that were not provisioned on the due date, KPMG reported that Verizon issued jeopardy notices in all three cases. In the second part, KPMG analyzed over 400 production orders in Rhode Island. Out of this group, 96 orders required detailed examination as potential jeopardy situations. Because Verizon provisioned nearly 99% of the orders examined on the confirmed due date, there were an insufficient number of cases remaining in which a jeopardy notice would have been expected for KPMG to draw a conclusion. However, as noted in the discussions of KPMG testing, only 2.5% of the 400 orders required a jeopardy notice and only 0.25% (1 order) did not receive jeopardy status information. VZ-RI noted that KPMG indicated that this clearly was not a critical OSS failure.²⁴²

Completion Notifiers. The FCC also concluded that in New York and Massachusetts Verizon provided order completion notification “in a manner that affords an efficient competitor a meaningful opportunity to compete.”²⁴³ Specifically, it observed that in New York and Massachusetts Verizon provided both a “billing completion” and a “work completion” notice to CLECs. The FCC found that these

²⁴¹ Id., quoting New York Order, ¶ 184; See Massachusetts Order, at ¶ 85. Nevertheless, VZ-RI stated that in order to further assist its CLEC customers, Verizon made available an Electronic Jeopardy Notification through the EDI and Web GUI interfaces in October 2000. Verizon’s Post-Hearing Brief, p. 145.

²⁴² Verizon’s Post-Hearing Brief, pp. 145-46, citing KPMG RI Report. “I believe that Verizon’s on time provisioning performance in the study was 98.9% and as a consequence when you’re provisioning accuracy and timeliness [sic], very high electronic jeopardies are far less critical.” Tr. 10/9/01, p. 30.

²⁴³ Verizon’s Post-Hearing Brief, p. 146 (citations omitted).

notices were being timely provided based upon the C2C performance data and on the results of the KPMG review.²⁴⁴

VZ-RI maintained that the process VZ-RI uses to provide Rhode Island CLECs with completion notifiers is the same as the process used in Massachusetts and New York and approved by the FCC.²⁴⁵ VZ-RI asserted that the performance data provided by VZ-RI similarly show that the completion notices are being timely provided to CLECs. The C2C Performance Guidelines establish a standard of 95% of both provisioning and billing completion notices returned by noon of the next business day after SOP is updated (for provisioning notices) or after the billing records are updated (for billing notices). VZ-RI noted that the C2C reports show that it routinely exceeds this standard for provisioning completion notices and billing completion notices.²⁴⁶

F. Provisioning OSS

VZ-RI noted that in its review of Verizon's OSS in Massachusetts and New York, the FCC noted that Verizon's systems are set up to provide parity of service for provisioning wholesale and retail orders.²⁴⁷ The same systems are in use by Verizon in Rhode Island as in Massachusetts.²⁴⁸

VZ-RI indicated that KPMG previously evaluated the methods and procedures, processes, and systems used by VZ-MA to provision both retail and wholesale orders.

²⁴⁴ Id., citing New York Order, ¶¶ 187, 190; Massachusetts Order at ¶¶ 83-4.

²⁴⁵ Verizon's Post-Hearing Brief, p. 146.

²⁴⁶ Id.

²⁴⁷ Id. at 148 citing New York Order, ¶¶ 193, 197; Massachusetts Order, at ¶ 90.

²⁴⁸ Verizon's Post-Hearing Brief, p. 148 (citations omitted). For most orders from CLECs (all resale, platform, and new UNE loop orders), the provisioning systems and processes employed by VZ-RI are the same as are used for Verizon retail provisioning. For UNE-loop conversions ("hot cuts"), which involve physically disconnecting an end user's loop from the Verizon switch and connecting it to the CLEC's transmission equipment, Verizon coordinates its provisioning activity with the CLEC to minimize the disruption of the customer's service. However, the same provisioning systems used for other orders support the process. Id., citing KPMG RI Report, pp. 79-90.

KPMG found that both the design of the methods, processes and systems, and the actual handling of orders, was non-discriminatory.²⁴⁹ VZ-RI asserted that the record in Rhode Island’s 271 proceeding shows that KPMG has now completed a thorough review of the provisioning process in Rhode Island, involving both “sameness” and transactional testing, and concluded that the VZ-NE’s provisioning systems and processes in Massachusetts and Rhode Island are the same.²⁵⁰ VZ-RI noted that while the actual employees performing the provisioning work in Rhode Island may be different than the employees in Massachusetts, the employees are part of the same organization, operate under common methods and procedures, and receive the same training.²⁵¹ Further, VZ-RI noted that its provisioning OSS systems also passed every transactional test. Accordingly, VZ-RI argued that just as the FCC observed previously in Massachusetts, KPMG observed in Rhode Island “that Bell Atlantic [Verizon] satisfied all test criteria for the provisioning function.”²⁵²

G. Maintenance and Repair OSS

VZ-RI stated that the FCC concluded that Verizon in New York and Massachusetts had demonstrated that it “provides non-discriminatory access to maintenance and repair OSS functions.”²⁵³

1. Systems and Interfaces

VZ-RI indicated that the FCC determined first that Verizon in New York and Massachusetts “offers maintenance and repair interfaces and systems that enable a requesting carrier to access all the same functions that are available to Bell Atlantic’s

²⁴⁹ Verizon’s Post-Hearing Brief, p. 148 (citations omitted).

²⁵⁰ *Id.* at 148-49, citing KPMG RI Report, p. 79-93.

²⁵¹ Verizon’s Post-Hearing Brief, p. 149.

²⁵² Verizon’s Post-Hearing Brief, p. 149 (citations omitted).

[Verizon's] retail representatives.”²⁵⁴ VZ-RI maintained that as in New York and Massachusetts, VZ-RI provides CLECs with two interfaces for obtaining access to VZ-RI's maintenance and repair OSS.²⁵⁵

According to VZ-RI, VZ-NE uses the same systems to provide maintenance and repair for retail customers and CLECs in Rhode Island as it does in Massachusetts.²⁵⁶ VZ-RI explained that these are the same OSS that the FCC reviewed and approved in operation in New York and Massachusetts.²⁵⁷

2. Volumes and Performance

VZ-RI noted that the FCC also addressed the performance of Verizon's maintenance and repair OSS when evaluating Verizon's 271 Applications in New York and Massachusetts. VZ-RI explained that the FCC relied upon the C2C measurement data for RETAS response times in concluding that in “Bell Atlantic's [Verizon's] maintenance and repair interface and systems process trouble inquiries from competing carriers in substantially the same time and manner as Bell Atlantic processes inquiries concerning its own retail customers.”²⁵⁸ VZ-RI maintained that although the numerous measurements taken under the C2C approach were not uniformly within the applicable standards in New York or Massachusetts, the FCC determined that the differences were small and were not even alleged to impair CLECs access to maintenance and repair functions. VZ-RI asserted that the comparable C2C RETAS results for Verizon RI

²⁵³ Id., quoting New York Order, ¶ 211; Massachusetts Order, ¶ 95.

²⁵⁴ Verizon's Post-Hearing Brief, p. 149-50, citing New York Order, ¶ 213; Massachusetts Order, ¶ 95.

²⁵⁵ Verizon's Post-Hearing Brief, p. 150. According to VZ-RI, the most commonly used is the Web GUI, which provides access to a platform called RETAS. Over the past three months, nineteen CLECs were recognized by the Web GUI as submitting trouble administration transactions in Rhode Island. VZ-RI stated that like New York and Massachusetts, Verizon also provides an application-to-application interface in Rhode Island, Electronic Bonding, which is currently operating with one CLEC. Id.

²⁵⁶ Verizon's Post-Hearing Brief, p. 150, citing KPMG RI Report, pp. 111-133, 139-144.

²⁵⁷ Verizon's Post-Hearing Brief, p. 150.

consistently demonstrate response times results equal to, or better than the C2C established standard.²⁵⁹ Thus, VZ-RI concluded that the results show in Rhode Island – as they did in New York and Massachusetts – “that competing carriers are able to process maintenance and repair requests in substantially the same time as Bell Atlantic’s retail operations.”²⁶⁰

Finally, VZ-RI indicated that the FCC concluded that commercial usage and KPMG’s testing showed that Verizon’s maintenance and repair interface is capable of handling reasonably foreseeable demand levels.²⁶¹ VZ-RI reported that the volume of RETAS maintenance transactions has grown from about 40,000 transactions a month in January 2000 to an average of over 112,000 transactions per month in the most recent three months (June – August 2001).²⁶² VZ-RI asserted that the performance of VZ-NE’s maintenance and repair OSS shows that it can and does successfully meet increasing volumes of CLEC activity.²⁶³

VZ-RI stated that in Massachusetts, KPMG verified VZ-NE’s ability to provide non-discriminatory maintenance and repair services to CLECs. KPMG evaluated VZ-NE’s systems, performance, processes, documentation, network surveillance, work center operations and work coordination for the delivery of CLEC maintenance and repair services and found that all were satisfactory. VZ-RI asserted that because the maintenance and repair systems and processes in Massachusetts and Rhode Island are the

²⁵⁸ Id. at 151, quoting New York Order, ¶ 217; Massachusetts Order, ¶ 96.

²⁵⁹ Verizon’s Post-Hearing Brief, p. 151.

²⁶⁰ Id., quoting New York Order, ¶ 219; Massachusetts Order, ¶ 96. VZ-RI noted that as in New York and Massachusetts, although the Web GUI and EBI are both available for reporting unbundled loop troubles, many CLECs submit UNE loop troubles by calling the Regional CLEC Maintenance Center (“RCMC”) and having the RCMC staff enter the ticket on their behalf. The RCMC is staffed around the clock and has sufficient resources to handle all repair calls. Verizon’s Post-Hearing Brief, p. 151 (citations omitted).

²⁶¹ Verizon’s Post-Hearing Brief, p. 151, citing New York Order, ¶ 214; Massachusetts Order, ¶¶ 95-96.

²⁶² Verizon’s Post-Hearing Brief, pp. 151-52.

same, the Massachusetts results should apply equally to Rhode Island.²⁶⁴

H. Billing OSS

VZ-RI stated that the FCC found that Verizon's OSS provides non-discriminatory access to its billing functions in New York and Massachusetts.²⁶⁵

1. Systems and Interfaces

VZ-RI represented that the billing systems used to accumulate and provide CLECs in Rhode Island with usage billing information, including access records, are the same billing systems VZ-RI uses for its retail customers and for interexchange carriers. According to VZ-RI, new functionality was added to the existing systems to accommodate the billing of new usage rate elements and new non-recurring and recurring charges to CLECs, and to produce the wholesale bill. According to VZ-RI, the wholesale billing systems utilized by VZ-RI are the same systems utilized in Massachusetts and approved by the FCC.²⁶⁶

VZ-RI maintained that as in New York and Massachusetts, CLECs in Rhode Island use usage information, together with information in their own customer records, to bill their end users. In addition, VZ-RI indicated that it sends wholesale bills to CLECs for the products and services the CLECs purchase from Verizon. Wholesale bills are sent to CLECs over Connect:Direct, on paper, on tape, or on CD-ROM at the CLEC's choice of format and media. Resellers receive up to two monthly bills, one for each of the two

²⁶³ Id. at 152.

²⁶⁴ Id., citing KPMG RI Report, pp. 111, 247-380 (documenting the similarities of the systems).

²⁶⁵ Verizon's Post-Hearing Brief, p. 152, citing New York Order, ¶ 226; Massachusetts Order, ¶ 97. VZ-RI also noted that the FCC observed that Verizon provides competing carriers with billing information through Daily Usage Files ("DUFs") that itemize daily usage records for competing carrier customers, although carrier bills serve as a monthly invoice to incorporate charges to the carrier for all Bell Atlantic products and services provided. VZ-RI asserted that it does the same. Verizon's Post-Hearing Brief, p. 152, citing KPMG RI Report, pp. 176-85.

²⁶⁶ Verizon's Post-Hearing Brief, pp. 152-53 (citations omitted).

summary billing periods in the month. Charges for ancillary services are billed separately to the Resellers' administrative accounts in the first billing period of each month. Bills for resellers are generated by the CRIS system. Billing for most UNEs is handled through the CABS system. Recurring, non-recurring and usage charges for unbundled platform services, interoffice transmission facilities, collocation, DS-1 loops (and higher), and SS7 are billed in CABS. Charges for UNE 2-wire and 4-wire loops are generated by CRIS. UNE wholesale bills are sent to CLECs once a month.²⁶⁷

According to VZ-RI, it reported that it employs its Billing OSS to provide 77.5 million EMI billing records for CLECs each month in New England, and renders 2,300 bills per month in New England (up 62% from calendar year 2000). VZ-RI represented that these Billing OSS are the same as those in use in Massachusetts. VZ-RI further noted that KPMG has verified the sameness of these OSS.²⁶⁸

2. Billing Performance

VZ-RI asserted that in its review in New York and Massachusetts, the FCC pointed to the C2C reports provided by Verizon and to the KPMG reviews in the respective states as evidence that Verizon provides non-discriminatory access to billing. VZ-RI maintained that the FCC affirmed that the C2C standards adopted in New York and used in Massachusetts provided an appropriate measure of Verizon's ability to provide CLECs with DUFs and carrier bills in substantially the same time and manner

²⁶⁷ *Id.* at 153-54. VZ-RI indicated that it provides the CLECs' wholesale bills in either Verizon end user format or the Bill Data Tape ("BDT") format defined by Telecordia's Technical Review Group as specified in the Billing Output Specification ("BOS"). Unlike Pennsylvania, where CLECs took issue (unsuccessfully) with the new introduction of BOS BDT formatted bills, the BOS BDT in Rhode Island – as in New York and Massachusetts – is a long-established and, according to VZ-RI, a non-controversial format for Verizon-North billing. Indeed, VZ-RI pointed out that a review of its records showed that there were no CLEC complaints about the BOS BDT format in Rhode Island in the year 2001. *Id.*

²⁶⁸ Verizon's Post-Hearing Brief, p. 154, citing KPMG RI Report, pp 145-95.

that Verizon provides such information to itself.²⁶⁹

VZ-RI asserted that its C2C results show that DUF files in Rhode Island are consistently provided to CLECs in a timely fashion every month. KPMG verified the same result. VZ-RI emphasized that the C2C measurements also show that carrier bills have been generally rendered on-time over the eight month period from January to August 2001. VZ-RI explained that the only exceptions to this excellent record were with respect to the carrier bills rendered in April and May 2001 which were caused by conditions that have now been corrected. As evidence of VZ-RI's assertion, it noted that the C2C results for June through August 2001 show that these bills are again being sent on-time.²⁷⁰

VZ-RI indicated that it also reports the percent of total dollars billed that were adjusted for both wholesale and retail accounts. VZ-RI maintained that the C2C-measured % Billing Adjustments – Dollars Adjusted (BI-3-01) results were negligible each month from January through April 2001. VZ-RI explained that the May results were higher due to a credit to a single CLEC, as a result of a settlement of a civil law suit that was not the result of a billing claim or adjustment and does not reflect on Billing Accuracy. Eliminating this credit in the metric calculation results in a billing adjustment rate of only 0.39%. Since that time, VZ-RI maintained that the wholesale adjustment amounts were again negligible for June and August, although higher in July to reflect UNE-loop rate adjustments.²⁷¹

²⁶⁹ Verizon's Post-Hearing Brief, pp. 154-55, citing New York Order, ¶ 227; Massachusetts Order, ¶ 97.

²⁷⁰ Verizon's Post-Hearing Brief, p. 155, citing KPMG RI Report, pp. 184-75, VZ-RI C2C Performance Reports for the months of January through August 2001.

²⁷¹ Verizon's Post-Hearing Brief, p. 155 (citations omitted).

3. Line Loss Reports

VZ-RI noted that it provides a daily Line Loss Report to CLECs in New England and to the Verizon retail operations identifying end user lines that have migrated from one local service provider to another.²⁷² VZ-RI indicated that it has worked with CLECs both individually and through the Change Management Process discussed below to ensure that the reports include information requested by the CLECs and to improve the accuracy of the reports. According to VZ-RI, the accuracy of these reports is very high – the percent of working telephone numbers reported by the CLECs as either missing or incorrect has averaged less than 0.5% for January through August 2001.²⁷³

VZ-RI noted that in its Rhode Island evaluation, KPMG conducted stand-alone testing of the Line Loss Report. First, KPMG reviewed its own Line Loss Report for accuracy. It found that 100% of the 54 Working Telephone Numbers (“WTNs”) it expected to see on the Line Loss Report were in fact on the report. Second, KPMG’s evaluated live Rhode Island production orders and found that 97% of WTNs that it expected to find on the Line Loss Report were found on the report. VZ-RI maintained that KPMG concluded that Verizon passed this test criterion.²⁷⁴

²⁷² Id. at 160. VZ-RI’s Line Loss Reports provide the information specified by the OBF standards – the working telephone number and the date the end user converted to the new local service provider – as well as additional information identifying the customer type, billing telephone number, and an indicator for the type of old local service provider and the type of new local service provider. VZ-RI indicated that it makes Line Loss Reports available on an FTP server where they can be downloaded by the CLECs. VZ-RI also provides line loss reports to CLECs that request them over Connect: Direct and EDI. Id.

²⁷³ Verizon’s Post-Hearing Brief, p. 161.

²⁷⁴ Id. VZ-RI stated that it went further and investigated the only two WTNs that were missing from the Line Loss Reports. The first WTN was identified by KPMG as missing from the Line Loss Report during the conduct of its test. VZ-RI’s investigation revealed that the telephone number in question should have appeared on the report, but did not because the order was processed as a change only in Pre-subscribed Interexchange Carrier (“PIC”). Verizon represented that it corrected this problem in the January 26, 2001 release of change request # 1227. The second WTN was not identified by KPMG until after the test was completed. VZ-RI’s investigation found that this WTN was in fact reported on the December 6, 2000, Line Loss Report, but that the Line Loss file provided to KPMG was inadvertently truncated and did not include the record for that service order. VZ-RI maintained that this problem will not occur in a production mode

I. CLEC Support

VZ-RI stated that it has designed and implemented an extensive array of support services for CLECs to use in entering and participating in the local telecommunications market throughout its service areas including Rhode Island. VZ-RI maintained that these are the same support mechanisms favorably referenced by the FCC in approving the Section 271 applications of Verizon in New York and Massachusetts.²⁷⁵

VZ-RI noted that during its independent third-party test in Massachusetts, KPMG evaluated Verizon's processes that support establishing and maintaining relationships between CLECs and Verizon in Massachusetts in its Relationship Management and Infrastructure ("RMI") domain.²⁷⁶ According to VZ-RI, KPMG was satisfied with VZ-NE's performance in Massachusetts for every test point. VZ-RI asserted that the Verizon processes that KPMG tested in Massachusetts are identical to the processes used in Rhode Island and the results are equally applicable to Rhode Island.²⁷⁷

1. Change Management Process

VZ-RI stated that the FCC defines the change management process as "the methods and procedures that the BOC employs to communicate with competing carriers regarding the performance of and changes in the BOC's OSS system."²⁷⁸ According to VZ-RI, Verizon employs one common Change Management process throughout the

since CLECs obtain their reports via EDI, Connect:Direct or from VZ-RI's FTP server, not by the file transfer methodology that was used with KPMG during the test. *Id.*

²⁷⁵ Verizon's Post-Hearing Brief, p. 163, *citing New York Order*, ¶¶ 90, 101-127; *Massachusetts Order*, ¶¶ 102-116.

²⁷⁶ The KPMG test for Massachusetts included: Change Management; Interface Development; Account Establishment and Management; Network Design, Collocation, and Interconnection Planning; Help Desks; CLEC Training; and Forecasting. KPMG MA Report, p. 13. The RMI domain involved ten different tests, and KPMG evaluated 114 different test points.

²⁷⁷ Verizon's Post-Hearing Brief, p. 163 (citations omitted).

²⁷⁸ *Id.*, *citing New York Order*, ¶ 103.

former Bell Atlantic region.²⁷⁹ VZ-RI asserted that the FCC has repeatedly found that Verizon has demonstrated that it “provides the documentation and support necessary to give competing carriers non-discriminatory access to its OSS.”²⁸⁰ VZ-RI stated that the FCC has also consistently found that Verizon has an adequate change management process in place and has adhered to that process over time. VZ-RI concluded that, for the Verizon OSS in effect in Rhode Island, the FCC has already concluded that Verizon provides access to its OSS in a manner that allows an efficient competitor a meaningful opportunity to compete. VZ-RI maintained that no party has challenged this conclusion.²⁸¹

VZ-RI pointed out that the FCC has previously noted that Verizon follows a “detailed process of managing changes” which divides all changes into five different categories and provides specific timelines and intervals for each category.²⁸² According to VZ-RI, this process includes timeframes for the distribution of draft specifications on business rules, receipt of CLEC comments on the documentation, and the distribution of final documentation.²⁸³

VZ-RI noted that the FCC has found that the Verizon OSS change management process documentation in New York and Massachusetts is clearly organized and readily accessible to CLECs.²⁸⁴ VZ-RI maintained that CLECs can readily access a copy of the OSS Interface Change Management Process documentation on Verizon’s web site. VZ-RI pointed out that in New York and Massachusetts, the FCC concluded that Verizon

²⁷⁹ Verizon’s Post-Hearing Brief, p. 163, citing KPMG RI Report, pp. 199-204.

²⁸⁰ Verizon’s Post-Hearing Brief, p. 163-64, citing New York Order, ¶ 101; Massachusetts Order, ¶ 112.

²⁸¹ Verizon’s Post-Hearing Brief, p. 164.

²⁸² Id.

²⁸³ Id.

²⁸⁴ Id., citing New York Order, ¶ 107; Massachusetts Order, ¶¶ 112-13.

“updates and maintains a database that tracks the progress of each specified change, reports changes systematically using change request numbers and uses these same numbers in communications with competing carriers to identify specific changes.”²⁸⁵ VZ-RI asserted that the same process applies to Verizon’s OSS in Rhode Island.²⁸⁶

VZ-RI noted that the FCC also observed that in New York and Massachusetts, Verizon has established a forum where CLEC and Verizon representatives meet to discuss upcoming system and interface changes, as well as the change management procedures themselves.²⁸⁷ According to VZ-RI, through this forum, Verizon receives CLEC input and makes appropriate changes to its implementation plans in response to the CLEC input. VZ-RI asserted that this remains true for the Verizon Change Management process applicable to the OSS used in Rhode Island.²⁸⁸

2. OSS Change Management Performance

VZ-RI indicated that the FCC has stated that an adequate change management process to which the BOC adheres over time is also part of its “obligation to provide competing carriers with the specifications necessary to instruct competing carriers on how to modify or design their systems in a manner that will enable them to communicate with the BOC’s legacy systems and any interfaces utilized by the BOC for such access.”²⁸⁹ VZ-RI also pointed out that the FCC has found that in New York and Massachusetts Verizon “provides competing carriers with change management notification and documentation for upcoming change releases in a manner sufficiently

²⁸⁵ Verizon’s Post-Hearing Brief, p. 164, citing New York Order, ¶ 107; Massachusetts Order, ¶¶ 112-13.

²⁸⁶ Verizon’s Post-Hearing Brief, p. 164.

²⁸⁷ Id., citing New York Order, ¶ 104; Massachusetts Order, ¶ 337.

²⁸⁸ Verizon’s Post-Hearing Brief, pp. 164-65.

²⁸⁹ Verizon’s Post-Hearing Brief, p. 165 (citations omitted).

timely to allow an efficient competitor a meaningful opportunity to compete.”²⁹⁰ VZ-RI noted that the FCC also commended Verizon and the New York PSC for developing measurements applicable to the administration of the change management process.²⁹¹

VZ-RI indicated that it reports the same measurements for the OSS Change Management process as Verizon reports in New York and Massachusetts. According to VZ-RI, these measurements consistently demonstrate Verizon’s adherence to the change management process, with performance above the levels earlier approved by the FCC.²⁹²

3. Testing Environment

VZ-RI stated that the FCC has also concluded that the Verizon “QA [Quality Assurance] testing environment provides competing carriers with a stable environment and an adequate opportunity to test Bell Atlantic’s [Verizon’s] OSS changes prior to implementation.” VZ-RI emphasized that the FCC found that the testing environment “adequately mirrors the production environment” and “offers the extended testing periods the competing carriers need for new entrant certification and new release testing.”²⁹³ VZ-RI maintained that the same QA testing environment used by VZ-MA is also used for Rhode Island.²⁹⁴

VZ-RI noted that its current test environment for CLECs has several key aspects.²⁹⁵ First, VZ-RI noted that Verizon has established a software-testing environment that mirrors the production software environment. Second, VZ-RI indicated that Verizon has established a formal set of test transactions – the “test deck” – which is a cross-section of the most frequent types of pre-order and order transactions. Third, VZ-

²⁹⁰ Id., citing New York Order, ¶¶ 113, 118.

²⁹¹ Verizon’s Post-Hearing Brief, p. 165, citing New York Order, ¶ 113; Massachusetts Order, ¶ 105.

²⁹² Verizon’s Post-Hearing Brief, pp. 165-66.

²⁹³ Id. at 166, citing New York Order, ¶ 119, Massachusetts Order, ¶¶ 109-111.

RI pointed out that the CLEC testing procedures provide for specified times when the new software is introduced to the CLEC test environment and when subsequent changes or fixes are made in the test environment to ensure a stable environment for CLEC testing before a new release is implemented in production.²⁹⁶

VZ-RI explained that KPMG conducted an extensive test of the CLEC Test Environment and the test procedures during its evaluation of Verizon's OSS in Massachusetts. Acting as a CLEC, KPMG used the test environment to test both LSOG 2 and LSOG 4 during both the February and June 2000 releases. VZ-RI noted that KPMG found that VZ-MA satisfied all test criteria. VZ-RI asserted that since the same test environment and processes are utilized in both Massachusetts and Rhode Island, the Massachusetts results apply equally to Rhode Island.²⁹⁷

VZ-RI pointed out that no CLEC has raised any challenge to VZ-NE's continued satisfaction of its responsibilities for the administration of its FCC-approved OSS Change Management process.

J. Training and Assistance for CLECs

VZ-RI explained that as with Change Management, the FCC has already repeatedly concluded that in New York and Massachusetts, Verizon "demonstrates that it provides the technical assistance and help desk support necessary to give competing carriers non-discriminatory access to its OSS."²⁹⁸ VZ-RI represented that the FCC has specifically referred to the numerous means by which Verizon in New York and Massachusetts extends assistance to CLECs. VZ-RI maintained that these were means

²⁹⁴ Verizon's Post-Hearing Brief, p. 166.

²⁹⁵ Id.

²⁹⁶ Id. at 166-68.

²⁹⁷ Id. at 168, citing KPMG RI Report, p. 207-213.

that caused the FCC to find that Verizon “provides efficient competitors a meaningful opportunity to compete by enabling them to understand how to implement and use all of the OSS functions available to them.”²⁹⁹

VZ-RI asserted that the same CLEC support is provided with respect to Verizon’s OSS in Rhode Island.³⁰⁰ VZ-RI pointed out that no CLEC has challenged VZ-RI’s compliance with the Act in this area.

1. Handbooks and Documentation

First, the FCC noted that Verizon produces separate three volume handbooks for resellers and purchasers of UNEs, both of which are available on CD-ROM with word search capability. Second, the FCC has observed that documentation is updated for each release and is also made available on Verizon’s web site: “[t]hus, competing carriers have access to complete, up-to-date business rules and ordering codes.”³⁰¹ VZ-RI concluded that KPMG and HPC successfully used the same Verizon documentation made available to CLECs during both the Massachusetts and Rhode Island OSS tests.³⁰²

2. Training/Reference Guides

VZ-RI stated that the FCC also gave weight to the fact that that Verizon conducts regular training courses for competing carriers.³⁰³ VZ-RI represented that these efforts have continued through 2001.

²⁹⁸ Verizon’s Post-Hearing Brief, p. 169, quoting New York Order, ¶ 127.

²⁹⁹ Verizon’s Post-Hearing Brief, p. 169 (citations omitted).

³⁰⁰ Id., citing KPMG RI Report, pp. 223-27.

³⁰¹ Verizon’s Post-Hearing Brief, pp. 169-71, citing New York Order, ¶ 127, Massachusetts Order, ¶ 114.

³⁰² Verizon’s Post-Hearing Brief, p. 171.

³⁰³ Id., citing New York Order, ¶ 127, Massachusetts Order, ¶ 114. In 2000, VZ-NE provided training to over 1,000 CLEC students. According to VZ-RI, through August of 2001, CLECs have sent more than 336 representatives to Verizon training in 42 classes. Verizon’s Post-Hearing Brief, p. 171.

3. Help Desk Support

Finally, VZ-RI pointed out that the FCC noted that the Verizon systems support help desk (then the “BASS Help Desk,” now the Wholesale Customer Care Center or “WCCC”) provides a single point of contact for CLECs to report system outages and software problems and is a means to ensure that problems are resolved as quickly as possible.³⁰⁴ VZ-RI stated that the FCC favorably noted that Verizon has put in place various processes to evaluate the performance of its help desk agents and to revise, as necessary, the tools available to them for analyzing information and resolving problems. Moreover, VZ-RI noted, the FCC indicated that Verizon made positive changes to publish on its web site a comprehensive and descriptive list of the different support features available to competing carriers, including the time of day these support functions are available, in response to earlier KPMG reported concerns.³⁰⁵

VZ-RI reported that it provides the same help desk that the FCC found beneficial to serve CLECs and Resellers operating in Rhode Island as it provides throughout the former Bell Atlantic service areas, including Massachusetts and New York. From January through August 2001, Verizon handled an average of over 3,000 calls each month at the WCCC.³⁰⁶ VZ-RI explained that this call volume includes general inquiries, inquiries or status on previously opened tickets, as well as new inquiries. About half of these resulted in the opening of a trouble ticket to resolve a new problem or inquiry. According to VZ-RI, it resolves these trouble tickets in a timely manner, resolving approximately 60

³⁰⁴ Verizon’s Post-Hearing Brief, p. 172, citing New York Order, ¶ 127, Massachusetts Order, ¶ 114.

³⁰⁵ Verizon’s Post-Hearing Brief, pp. 172-73 (citations omitted).

³⁰⁶ Id. at 173. The WCCC was established to provide a single point of contact for all CLEC questions concerning status notifiers (the “PON Exception Process” described below), reports of systems issues (such as system outages, passwords, software application problems, and user questions), to provide timely notification to the CLEC of system events where necessary, and to ensure that any system issues are resolved as quickly as possible. Id.

percent of the tickets opened in 2001 within a day. However, VZ-RI also explained that others are more complex and may require extensive analysis, such as Purchase Order Number (“PON”) Exception tickets (trouble tickets concerning a CLEC report that it has not received status notifiers it expected to see), each of which can have hundreds or thousands of PONs to research and resolve. The WCCC is available 24 hours a day, seven days a week to handle CLEC trouble reports.³⁰⁷

VZ-RI represented that the WCCC process used in Rhode Island for handling PON Exceptions was developed for EDI-transmitted PONs in New York and extended to the other former Bell Atlantic service areas.³⁰⁸

According to VZ-RI, from February through August 2001, CLECs submitted approximately 82,800 PONs in Rhode Island and only 38 PONs on PON Exception trouble tickets (0.05%). VZ-RI reported that all 38 of the PONs were cleared within three business days.³⁰⁹

VZ-RI noted that one of the primary tasks of the WCCC is to support the OSS Change Management organization by providing notification to the CLEC Change Management distribution list of interface or system slow response conditions, software fixes, and scheduled and unscheduled interface or system outages. In addition to the calls received from the CLECs notifying Verizon of interface issues, the WCCC also receives proactive notice from the system monitoring organization if the interfaces or back-end OSS experience an unplanned outage. The WCCC will initiate the notification process when this situation occurs. The C2C standard for this notification is within 20 minutes of the WCCC help desk being notified of an outage condition. VZ-RI asserted that a review

³⁰⁷ Id.

³⁰⁸ Id.

of its “Average Notification of Interface Outage” metric shows that notification is consistently provided in less than 20 minutes.³¹⁰

VZ-RI explained that the Verizon Help Desk support function has evolved over time since it was initiated in November 1998 and approved in New York. VZ-RI pointed out that as part of its evaluation of VZ-NE’s OSS in Massachusetts KPMG examined the WCCC’s procedures and performance. According to VZ-RI, KPMG found that it satisfied all test criteria. VZ-RI concluded that because the WCCC performs the same services for Massachusetts and Rhode Island CLECs, the Massachusetts results apply equally to Rhode Island.³¹¹

9. CLEC Comments – OSS Analysis

A. CTC

CTC alleged that contrary to VZ-RI’s assertions that it provides timely and accurate bills to CLECs, CTC has experienced chronic problems with the timeliness, accuracy and auditability of bills provided by VZ-RI. CTC stated that VZ-RI admitted that, “due to manual errors on the part of some Verizon service representatives at the Interexchange Carrier Service Center,” “certain” T1/T3 service orders submitted by CTC “were incorrectly coded for month-to-month billing instead of the longer term ordered by CTC.”³¹² CTC noted that VZ-RI asserted that “[i]n some cases, the orders were submitted incorrectly by CTC.”³¹³ CTC refuted that statement, however, indicating that its own investigation into the matter as of the date of the hearing had not uncovered any

³⁰⁹ Id. at 174.

³¹⁰ Id. at 174-75.

³¹¹ Id. at 175, citing KPMG RI Report, pp. 64-72.

³¹² Brief of CTC Communications Corp., p. 21. (citations omitted).

³¹³ Id. (citations omitted).

CTC ordering errors.³¹⁴ CTC further maintained that VZ-RI continues to erroneously bill CTC for these T1/T3 circuits months after CTC provided notice to VZ-RI of its error.³¹⁵ CTC claimed that VZ-RI's slow response to this billing problem demonstrates that its procedures and systems for responding to claims submitted by CLECs for credits for inaccurate billing are deficient and result in substantial delay throughout the former NYNEX territory. CTC further complained of back-billing by VZ-RI. CTC indicated that this alleged back-billing stemmed from the collocation dispute addressed in Checklist Item 1.³¹⁶

CTC alleged that Verizon's procedures and systems for responding to claims submitted by CLECs for credits for inaccurate billing by Verizon on its wholesale bills are also deficient. CTC indicated that in October, 2000 CTC attended a Verizon conference on Resale and UNE billing during which Verizon committed to a two (2) day response time for confirming receipt of a claim and a thirty (30) day response time for resolution of CLEC claims. Notwithstanding Verizon's commitment; however, it has been CTC's experience that Verizon often fails to confirm receipt of a claim and resolution of claims frequently takes over sixty (60) days and often takes several months.³¹⁷

B. WorldCom

WorldCom alleged that Verizon processes very few orders through its OSS in either Rhode Island or Massachusetts.³¹⁸ WorldCom noted that the FCC has emphasized that a BOC must show the readiness of its OSS to process UNE-P orders, as well as

³¹⁴ Id. (citations omitted).

³¹⁵ Id. (citations omitted).

³¹⁶ Brief of CTC Communications Corp., pp. 21-3.

³¹⁷ Id. at 23-25, citing CTC Declaration, at ¶ 24.

UNE-L [sic] orders and resale orders at commercial volumes.³¹⁹ WorldCom alleged that Verizon's commercial experience in Massachusetts and Rhode Island is insufficient to provide such proof. Therefore, WorldCom asserted that the RIPUC should not be satisfied with a third-party test as a substitute for real commercial experience.³²⁰

WorldCom also alleged that VZ-RI's OSS is not in compliance with Section 271 because VZ-RI did not pass the electronic jeopardy testing done by KPMG. For example, WorldCom noted that out of the 12 orders that required electronic jeopardy notices, only 6 were sent. As a result, WorldCom asserted that independent testing should continue until VZ-RI passes before VZ-RI is granted 271 approval.³²¹

10. RIDPUC Comments – OSS Analysis

The RIDPUC stated that it agrees VZ-RI is in compliance with Checklist Item 2 and the FCC's rules regarding VZ-RI's OSS. Therefore, the RIDPUC recommended approval of this checklist item.

Specifically, the RIDPUC stated that it "firmly believes that the OSS consultant, KPMG Consulting, Inc., conducted and supported a creditable and complete review of Verizon's OSS systems as measured by the standards enunciated by the FCC."³²² The RIDPUC further noted that KPMG found Rhode Island's OSS to be the same as those deemed compliant in Massachusetts by the FCC.³²³

³¹⁸ WorldCom offered statistics regarding the processing of UNE-P in other states without any indication of the context in which these numbers were being offered.

³¹⁹ Post-Hearing Comments of WorldCom, pp. 8-9, citing New York Order, ¶169.

³²⁰ Post-Hearing Comments of WorldCom, p. 9.

³²¹ Id. at 10-11.

³²² RIDPUC's Reply Brief, 11/9/01, p. 3.

³²³ Id. Again, the RIDPUC opined that CTC's issues are specific to CTC and taken in the totality of the circumstances, do not form a basis for denying 271 approval. Id. at 3-4.

11. VZ-RI's Rebuttal – OSS Analysis

A. CTC Billing Claims

According to VZ-RI, CTC's claims do not show a failure of VZ-RI to meet its OSS obligations under the Act. VZ-RI noted that CTC claims that it has been charged the month-to-month rate for T1 and T3 access circuits ordered from VZ-RI, despite the fact that these circuits were ordered under a 60 or 84 month term. First, VZ-RI asserted, it is important to note that the circuits to which CTC refers are "access circuits" ordered by CTC in its capacity as an "interexchange carrier" out of Verizon's FCC tariff for interexchange carrier use. The circuits are not resold services, interconnection trunks, or unbundled network elements. VZ-RI noted that CTC did not deny this fact. Thus VZ-RI concluded, it is dispositive here that the FCC has repeatedly held that the Section 271 checklist compliance is not intended to encompass the provision of access services.³²⁴

VZ-RI noted that CTC also alleged that CLEC claims take a minimum of 60 days to resolve and often take four to five months. VZ-RI claimed that CTC is simply wrong. VZ-RI reported that as of the beginning of November 2001, CTC has submitted 10 billing claims in Rhode Island for the year 2001. According to VZ-RI, two of these claims were closed on the same day they were opened, a third claim was closed in 9 days, another in 16 days and yet another in 31 days, the sixth and seventh claims were closed in 34 and 53 days, respectively, and the eighth claim has been open for more than four

³²⁴ Verizon's Post-Hearing Brief, p. 157 citing Massachusetts Order, ¶ 193. VZ-RI stated that the irrelevance of these claims notwithstanding, it looked into CTC's allegation. In fact, CTC did order certain T1 and T3 access circuits out of Verizon's FCC Tariff and, due to manual errors on the part of some Verizon service representatives at the Interexchange Carrier Service Center, certain service orders were incorrectly coded for month-to-month billing instead of the longer term commitment rates ordered by CTC. In some other cases, the orders were submitted incorrectly by CTC, which resulted in CTC being billed the rates in accordance with its order. VZ-RI has issued adjustments for accounts that were billed incorrectly due to a Verizon error. Further, Verizon made a system adjustment in October to eliminate the cause of representative error – a default value that assigns these access orders to month-to-month status if the

months due to the need to investigate and verify customer-specific information on hundreds of end-user lines. VZ-RI noted that this investigation has been completed and VZ-RI is in the process of issuing adjustments to CTC. VZ-RI indicated that the remaining two claims were closed on October 10, 2001. VZ-RI explained that although it endeavors to resolve billing claims within 30 days, the complexity of a particular claim and the need for extensive and cooperative investigation with the CLEC sometimes extends the resolution process. However, VZ-RI asserted that investigations of this nature do not preclude CLECs from a meaningful opportunity to compete.³²⁵

B. WorldCom

In response to WorldCom's allegations, VZ-RI stated that there is absolutely nothing in these test results to raise any concern that the RIPUC wrongly terminated KPMG's comprehensive testing. VZ-RI asserted that the FCC itself has repeatedly said that Verizon meets its 271 requirements by providing parity with retail jeopardy notices via the OQS reports discussed below, and that electronic jeopardies are not required by the Act.³²⁶

C. Implementation of RIPUC's April 2001 Rate Order

In response to concerns raised by the RIPUC at the October 12, 2001 hearing, VZ-RI acknowledged that it was delayed in implementing the Commission's UNE Rate Order, dated May 18, 2001 and effective April 11, 2001. VZ-RI noted that although this delay did not affect resale customers, it did cause some CLECs to be billed certain amounts for UNEs that were higher (7.11%) than the established Rhode Island rates.³²⁷

representative fails to populate a longer term agreement duration. Verizon's Post-Hearing Brief, p. 157, Tr. 10/12/01, at 59-60.

³²⁵ Verizon's Post-Hearing Brief, pp. 158-60.

³²⁶ *Id.* at 157, citing New York Order, ¶ 184; Massachusetts Order, ¶ 85.

³²⁷ Verizon's Post-Hearing Brief, pp. 155-56.

VZ-RI noted that although its billing systems generally require a 6-month software introduction cycle to implement rate changes, VZ-RI recognizes that the RIPUC expects faster implementation. As a result of this recognition, VZ-RI has focused on changing its internal processes to respond to the need for more rapid implementation of rate levels changes. Accordingly, VZ-RI indicated that it has committed to implement simple rate changes for unbundled elements and resold services within 60 days of an RIPUC order or decision, or a tariff approval, that defines the required change.³²⁸ This 60-day window will provide VZ-RI with reasonable time in which to develop and implement the requirements of the order, provided the changes are simple system and rate table changes. VZ-RI noted that if it is unable to implement the rate level change within the 60 days provided by the Commission, upon implementation of the rate change, VZ-RI will provide credit or charges back to the effective date. Further, if implementation is not accomplished by day 60, interest payments will be made by VZ-RI starting on day 61 through the date of implementation on all charges paid by the CLEC in excess of the newly effective rates.³²⁹ Finally, VZ-RI stated that credits and interest payments will be made in accordance with these commitments in the implementation of the April 11th rate decrease.³³⁰

³²⁸ VZ-RI has requested that the RIPUC's orders or decisions, in connection with rate level changes, be adopted with an effective date that is 60 days after the issuance of the Order or date of decision.

³²⁹ Even if the CLEC's account has gone to "final billing", VZ-RI will calculate and apply credits and interest payments in the same manner as outlined above. Response to Record Request No. 40.

³³⁰ Verizon's Post-Hearing Brief, p. 156. In response to Commission inquiry, VZ-RI has also stated that, effective December 1, 2001, it will notify CLECs about UNE and resale discount rate changes as well as the expected implementation dates via the Change Management process. The information provided will include the State involved, the date of the Commission Order or Tariff, a high level summary of the changes and the expected implementation date. See Response to Record Request No. 40.

12. RIPUC Findings – OSS Analysis

We find VZ-RI to be in compliance with the requirements of Checklist Item 2 as it relates to OSS. VZ-RI noted that the FCC found that Verizon's OSS in New York and Massachusetts provides non-discriminatory access to CLECs in preordering, ordering, provisioning, maintenance and repair, and billing. VZ-RI also pointed out that Verizon's OSS in New York and Massachusetts offers CLECs a meaningful opportunity to compete due to Verizon's Change Control Management process and the training and assistance Verizon provides to CLECs. KPMG conducted tests and evaluated VZ-RI's OSS to determine if it is the same as VZ-MA's OSS. We emphasize that KPMG found that Verizon's systems, interfaces and processes in Rhode Island and Massachusetts are essentially the same. KPMG found that in all but one area, the OSS of Massachusetts and Rhode Island are the same or that no material differences exist. The only area where a material difference existed was in Metrics Change Management Control, where KPMG found that VZ-RI's process was an improvement to the process in Massachusetts.

KPMG also conducted stand-alone testing on Line-Sharing, Line Loss Reports and Electronic Jeopardies. We note that VZ-RI received a satisfied result in Line Sharing and Line Loss Reports. In Electronic Jeopardies, the result was inconclusive because of the lack of orders that were in jeopardy. We emphasize that VZ-RI's on-time order provisioning exceeded 98 percent and that, out of 400 orders only 10 required jeopardy notices. Of these 10 orders, only 4 did not receive the appropriate notice and 3 of these 4 orders received some notice. We therefore concur with KPMG that the VZ-RI's OSS is the same or superior to VZ-MA's OSS.

As for metric performance, we find VZ-RI's preordering, ordering, maintenance and repair, and billing for UNE OSS from March through August 2001 was very good. At the outset, we note that VZ-RI was subject to more metrics in 2001 than VZ-MA was in 2000. However, from March to August 2001, VZ-RI met 86% to 97% of the Rhode Island UNE OSS PAP metrics which had activity and were not under development. In comparison, from March to July, 2000, VZ-MA met 86% to 100% of UNE OSS PAP metrics which had activity and were not under development or qualified for the small sample size exemption.³³¹ In other words, VZ-RI's performance from March through August 2001 was as good as VZ-MA's performance at the time of its § 271 application from March through July 2000.

As a whole, VZ-RI's performance in UNE OSS is very good and only in a few instances was VZ-RI's performance unsatisfactory or questionable for a majority of the six months under review from March through August 2001. In the area of ordering metrics, for OR-1-06 (% OT LSRC/ASRC-Facilities Check (Electronic) Specials), we acknowledge VZ-RI's explanation that an appropriate facility check may require more than 72 hours.³³² As for OR-5-03 (% Flow Through – Achieved – POTS Specials), the RIPUC notes that the metric was not being achieved at the time of either the New York and Massachusetts 271 applications. Also, we recognize that VZ-RI has taken various steps to improve the flow-through of CLEC orders as demonstrated by the satisfactory C2C Performance Results reported for August 2001.³³³ In addition, to encourage VZ-RI

³³¹ Compare Verizon RI 271 Filing - Checklist Declaration, Attachment 5, p. 13, to VZ-RI's Response to Record Request No. 2 (VZ-MA's PAP metrics).

³³² Tr. 10/10/01, pp. 60-62.

³³³ Tr. 10/11/01, p. 30.

to consistently meet the metric, we have significantly increased the potential dollars-at-risk if VZ-RI fails to meet the metric.³³⁴

In the area of billing performance, CTC raised some concerns. As of November 2001, VZ-RI noted that CTC has submitted 10 billing claims in Rhode Island for 2001, a majority of which were resolved within approximately 30 days. Furthermore, in response to the RIPUC's concerns regarding VZ-RI's delay in implementing new UNE rates ordered April 11, 2001, VZ-RI committed to implement rate changes for UNEs and resold services within 60 days of our written order or tariff approval.³³⁵ We accept VZ-RI's proposal because it will provide VZ-RI with reasonable time to implement new rates and avoid any confusion for CLECs.

In addition, we note that VZ-RI's performance in billing metrics is identical to VZ-MA's performance at the time of VZ-MA's 271 application, and that VZ-RI has met metric BI-1-02 (% Daily Usage Feed in 4 Business Days) every month from March through August 2001.³³⁶ Also, KPMG tested the completeness and accuracy of the DUF and found the results were the same as Massachusetts.³³⁷ We note that, according to VZ-RI, in BI-3-01 (% Billing Adjustments – Dollars Adjusted) had results which were negligible from January through April 2001, as well as for June and August 2001.³³⁸ We also point out that CTC was the only party to raise any billing issues in the course of Rhode Island's 271 proceedings and is not indicative of non-compliance with the checklist item.

³³⁴ RIPUC Order No. 16809 (issued December 3, 2001), p. 40.

³³⁵ Response to Record Request No. 40.

³³⁶ Verizon-RI 271 Filing – Measurements Declaration, Attachment 5, p. 5.

³³⁷ KPMG RI report, pp. 176-185.

³³⁸ Verizon-RI 271 Filing – OSS Checklist Declaration, ¶ 119 and VZ-RI's update thereto filed 10/12/01.

Based on the totality of the circumstances and the record in this proceeding, the RIPUC finds that VZ-RI has met its obligation to provide timely and accurate billing. To reduce the number of billing claims due to delays in implementing newly approved rates, VZ-RI has committed to implement new UNE and resale rates within 60 days of an RIPUC order. Also, the RIPUC has required the Rhode Island PAP to include two additional billing metrics currently in use in Pennsylvania that report on the timeliness of VZ-RI's acknowledgement and resolution of billing claims. In addition, these metrics have been assigned significant monetary remedies.³³⁹ We find that there is sufficient evidence included in KPMG's Report to conclude that VZ-RI' OSS is ready to process commercial volumes of CLEC orders. Accordingly, the RIPUC finds that VZ-RI is providing non-discriminatory access to its network elements as it relates to OSS in compliance with Checklist Item 2, and recommends that the FCC find that VZ-RI has complied with the requirements of this checklist item.

C. CHECKLIST ITEM 3 – POLES, DUCTS, CONDUITS AND RIGHT-OF-WAY

1. Applicable Law

Section 271(c)(2)(B)(iii) of the Act requires VZ-RI to offer “[n]ondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by [VZ-RI] at just and reasonable rates in accordance with the requirements of section 224.”³⁴⁰ The FCC has the authority to regulate rates, terms and conditions for access in Rhode Island because Rhode Island has not acted pursuant to Section 224(c) of the Act to exercise jurisdiction over access to poles, ducts, conduits and rights-of-way. Section 224 of the Act sets forth the conditions under which a utility may deny access to its poles, ducts,

³³⁹ RIPUC Order No. 16809, pp. 38-39 (issued December 3, 2001).

conduits or rights-of-way. It also addresses the maximum rates that may be charged by VZ-RI for attachments to its poles.³⁴¹

2. VZ-RI's Position

VZ-RI asserted that, consistent with FCC requirements, it meets this checklist requirement by offering non-discriminatory access to poles, ducts, conduits and rights-of-way that it owns or controls.³⁴² VZ-RI stated that as of August 31, 2001, it provided over 218,502 pole attachments and access to 327,072 feet of conduit within Rhode Island.³⁴³ According to VZ-RI, these pole attachments were provided to 11 telecommunications carriers, 4 cable television companies, and 35 other parties.³⁴⁴ VZ-RI indicated that it also provided access to ducts and conduits to 12 telecommunications carriers and 7 other companies.³⁴⁵ However, according to VZ-RI, no carrier has requested access to VZ-RI's private rights-of-way.³⁴⁶

VZ-RI stated that it treats all licensees, including those to CLECs, in a similar and non-discriminatory manner.³⁴⁷ Verizon uses the same standard license agreement for pole attachments in Rhode Island that it uses in Maine, Massachusetts and New Hampshire and uses a standard conduit occupancy agreement for these states plus Vermont.³⁴⁸ These agreements are available to existing licensees, as well as new applicants.

³⁴⁰ 47 U.S.C. § 271(c)(2)(B)(iii).

³⁴¹ 47 U.S.C. § 224.

³⁴² Verizon RI 271 Filing - Checklist Declaration, ¶ 110.

³⁴³ Id.; Tr. 10/11/01, p. 189.

³⁴⁴ Id.

³⁴⁵ Id.

³⁴⁶ Id.

³⁴⁷ Verizon RI 271 Filing - Checklist Declaration, ¶ 110.

³⁴⁸ Pole attachments are provided in Vermont under tariff arrangements. The license and conduit occupancy agreements were developed for use in New England states, through negotiations and monthly collaborative sessions with existing licensees occurring over the past two years. Id. at ¶ 111.

VZ-RI stated that access to poles, ducts, conduits and rights-of-way is provided on a “first come, first served” basis. Verizon has established and published a detailed process to ensure that each telecommunications carrier requesting access receives consistent and equitable treatment.³⁴⁹ The following sets forth the process by which a CLEC may gain access, as explained by VZ-RI.

First, upon written request by a telecommunications carrier, VZ-RI provides access to information about the location of its facilities in the area where the carrier intends to request access. From March through August 2001, VZ-RI reported receiving four requests for information from telecommunications carriers and cable TV providers.³⁵⁰ VZ-RI reported providing copies of records within five business days of the request in all cases.³⁵¹

Second, VZ-RI processes applications on a first come, first served basis, reviewing each application for compliance with the same widely-accepted standards regarding safety, reliability, capacity and engineering that VZ-RI applies to its own projects involving pole attachments and occupancy of ducts, conduits, and rights-of-way.³⁵²

Third, VZ-RI conducts a survey to determine whether the requested facilities have space available for use. From March through August 2001, VZ-RI reported receiving 195 applications for access to poles and 19 applications for access to ducts and conduits. In the month of March, none of the 6 responses to applications provided by VZ-RI was

³⁴⁹ See Verizon RI 271 Filing - Checklist Declaration, ¶ 111.

³⁵⁰ Tr. 10/11/01, p. 190; Verizon RI 271 Filing - Checklist Declaration, ¶ 114-115.

³⁵¹ Id.

³⁵² The standards VZ-RI uses are the National Electrical Code, the National Electrical Safety Code, the Blue Book-Manual of Construction Procedures published in December 1998 by Telcordia Technologies Inc., rules and regulations of the Occupational Safety and Health Act, and standards stated in the standard licensing agreements. Verizon RI 271 Filing - Checklist Declaration, ¶ 116.

made within 45 days of receipt of the application. However, 100% of the 6 responses provided in April and 100% of the 40 responses provided in May were made within 45 days. Furthermore, VZ-RI has stated that it continued to meet the 45 day requirement for all months through August 2001.³⁵³ VZ-RI attributed this improvement in performance to a personnel increase of more than 50% in Verizon's outside plant organization that is devoted to the processing of applications. With respect to the conduit applications, these were treated on a Project Basis, and VZ-RI reported meeting its negotiated time commitments for all applications.³⁵⁴

Fourth, although VZ-RI will often have existing spare capacity on its outside plant facilities to enable other carriers to place their facilities, there are cases in which make-ready work must be performed to provide additional capacity.³⁵⁵ During the period from January 2001 through May 2001, VZ-RI indicated that it was able to use existing spare capacity to satisfy 82% of applications for access to poles, ducts, and conduit, and during the period of June 2001 through August 2001, 84% of applications were satisfied using existing spare capacity without the need for make-ready work.³⁵⁶

VZ-RI asserted that it scheduled make-ready work on a non-discriminatory basis for both VZ-RI and telecommunications carriers, using the same employees and independent contractors to perform the make-ready work for VZ-RI and for other requesting carriers. Work authorization details are evaluated, and work is scheduled based upon factors such as job type, size, and due date, without regard to the requesting

³⁵³ VZ-RI Response to Record Request 21.

³⁵⁴ Tr. 10/11/01, p. 191.

³⁵⁵ Verizon RI 271 Filing - Checklist Declaration, ¶ 119.

³⁵⁶ Id. at ¶ 122; VZ-RI Response to Record Request 22.

carrier's identity. VZ-RI indicated that it only charges the requesting carrier for work necessary to prepare facilities for its attachments and occupancy.³⁵⁷

VZ-RI stated that it uses two approaches for assessing its performance in conducting make-ready work. The first is an assessment of parity. At the October 11, 2001 hearing, Ms. Harrington testified that similar jobs having similar characteristics performed by VZ-RI for itself and for applicants are assessed on a parity basis.³⁵⁸ From January 2001 through May 2001, VZ-RI reported that it completed make-ready work for applicants requesting pole attachments within an average of 69 days.³⁵⁹ VZ-RI reported that it completed pole make-ready work for applicants in June in an average of 48 days and in August 2001 in an average of 89 days; while for itself, VZ-RI completed the work in an average of 62 and 100 days for the same months.³⁶⁰ In July 2001, VZ-RI took longer to complete make-ready work for an applicant - 340 days - versus 182 days for itself. VZ-RI explained that the July result was for one job for Cox, and that the significant delay in completing the make-ready work was caused by a delay by the power company, the entity responsible for setting the poles.³⁶¹

From January through May 2001, VZ-RI indicated that it performed make-ready work for applicants requesting conduit occupancy within an average of 92 days.³⁶² During the same period, VZ-RI reported completing its own make-ready work within an average of 116 days for poles and 330 days for conduits. VZ-RI completed no make-ready work for applicants in June 2001 and averaged 30 days for work completed in July

³⁵⁷ Verizon RI 271 Filing - Checklist Declaration, ¶ 120.

³⁵⁸ Tr. 10/11/01, pp. 194, 200.

³⁵⁹ Verizon RI 271 Filing - Checklist Declaration, ¶ 123.

³⁶⁰ Tr. 10/11/01, pp. 193-94.

³⁶¹ Tr. 10/11/01, pp. 194-95.

³⁶² Verizon RI 271 Filing - Checklist Declaration, ¶ 123.

2001 and 36 days for work completed in August 2001.³⁶³ For its own make-ready work completed in this period, VZ-RI stated that it averaged 463 days for June 2001 and 166 days for August 2001. Verizon had no activity for its own make-ready work in July 2001.³⁶⁴

A second approach for evaluating performance is based on target timeframes that VZ-RI strives to meet to complete make-ready work for all pole and conduit applications that are not handled on a Project Basis. For poles, VZ-RI indicated that it strives to meet a target of 180 days from receipt of authorization to proceed with make-ready work to the issuance of a license. For conduits, that target is 90 days from receipt of authorization to proceed to issuance of a license. This timeframe includes VZ-RI's administration process, make-ready work, and work by third parties on VZ-RI's plant, all of which must be coordinated to enable a new attachment.³⁶⁵

From January through May 2001, exclusive of make-ready work handled on a Project Basis, VZ-RI reported that an average of 188 days elapsed from receipt of authorization to complete make-ready work to the issuance of a license for poles requiring make-ready work. In June and July 2001, there was no pole activity, while in August, the average time reported by VZ-RI was 127 days.³⁶⁶ According to VZ-RI, all conduit make-ready work completed by VZ-RI during the period of January through August 2001 was for applications handled on a Project Basis.³⁶⁷

The final step in the process of obtaining access to VZ-RI's poles, ducts, conduits and rights-of-way is the installation of the requesting telecommunications carrier's

³⁶³ Tr. 10/11/01, p. 200.

³⁶⁴ Id.

³⁶⁵ Id. at 205.

³⁶⁶ Id. at 203.

facilities.³⁶⁸ From January 2001 through May 2001, VZ-RI reported providing 90 licenses for 780 pole attachments. By August 2001, this number increased to 178 licenses for 3,271 pole attachments. VZ-RI also indicated that it granted access to 52,389 feet of conduit to six parties from January 2001 through August 2001.³⁶⁹ VZ-RI stated that it is able to meet the increased demands in a timely manner.³⁷⁰

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 3.

4. RIDPUC Comments

The RIDPUC noted that as of May 2001, VZ-RI was providing CLECs with pole attachments, access to conduit and access to ducts. In fact, the RIDPUC's expert stated: "when I opened the [Rhode Island] filing and I saw the vast number of pole attachments and the large number of conduit segments that had been granted access for CLECs I was surprised. I was very surprised to see that Verizon had done that much in Rhode Island."³⁷¹ He saw this as a positive sign.³⁷² The RIDPUC also noted that VZ-RI asserted that it was in compliance with Section 224 of the Act. Finally, the RIDPUC indicated that it agreed with VZ-RI's assertions and recommended a finding of compliance with Checklist Item 3 by the RIPUC.³⁷³

³⁶⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 125; Tr. 10/11/01, p. 204.

³⁶⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 127.

³⁶⁹ *Id.* at ¶ 128; Tr. 10/11/01, p. 206.

³⁷⁰ Verizon RI Post-Hearing Brief, p. 42.

³⁷¹ Tr. 10/11/01, pp. 223.

³⁷² *Id.* at 223-24.

³⁷³ RIDPUC's Exhibit 1, Appendix A, p. 3.

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 3. We note that VZ-RI has provided pole attachments to 11 telecommunications carriers, 4 cable television providers and 35 other parties. We also note that from April through August 2001, VZ-RI has responded to applications for access to poles, ducts and conduits within 45 days 100% of the time. In addition, during the months of January through August 2001, VZ-RI has shown that it has provided 178 licenses for 3271 pole attachments and has granted access to 52,389 feet of conduit to six parties. Finally, no comments were filed by any CLEC to challenge VZ-RI's compliance with the requirements of Checklist Item 3. Therefore, we find that VZ-RI is providing nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by VZ-RI in compliance with Checklist Item 3 of the Act and recommend the FCC find that VZ-RI has complied with the requirements of this checklist item.

D. CHECKLIST ITEM 4 – LOCAL LOOP TRANSMISSION FROM THE CENTRAL OFFICE TO THE CUSTOMER'S PREMISES, UNBUNDLED FROM LOCAL SWITCHING AND OTHER SERVICES

1. Applicable Law

Section 271(c)(2)(B)(iv) of the Act requires a BOC to provide “[l]ocal loop transmission from the central office to the customer’s premises, unbundled from local switching or other services.”³⁷⁴ The FCC has defined a loop as a transmission facility between a distribution frame, or its equivalent, in an ILEC central office, and the demarcation point at the customer’s premises.³⁷⁵ Furthermore, the FCC has indicated that VZ-RI “has an obligation to provision ‘two wire and four-wire analog voice-grade loops,

³⁷⁴ 49 U.S.C. § 271(c)(2)(B)(iv).

and two-wire and four-wire loops that are conditioned to transmit the digital signals needed to provide services such as ISDN, ADSL, HDSL, and DS1-level signals.”³⁷⁶

To comply with the requirements of this checklist item, VZ-RI must show that it has a concrete and specific legal obligation to furnish loops and that it is currently doing so in the quantities that CLECs demand and at an acceptable level of quality.³⁷⁷ In addition, access to the loop must be nondiscriminatory and, since the ordering and provisioning of network elements has no retail analogue, the FCC will look at whether the VZ-RI’s performance offers an efficient CLEC a meaningful opportunity to compete.³⁷⁸

To determine whether VZ-RI is in compliance with the requirements of Checklist Item 4, the RIPUC reviewed VZ-RI’s performance data contained in its C2C Performance Reports for the period March through August 2001, to determine its performance in the aggregate (*i.e.*, by all loop types). The RIPUC also looked at VZ-RI’s specific performance data contained in these C2C Performance Reports, including: the time interval for providing unbundled loops; whether due dates are met; whether CLECs are informed of the status of their order; and whether VZ-RI is meeting the requirements for maintenance and repair. In conducting its review, the RIPUC was looking for patterns of disparate treatment, as opposed to isolated incidents of substandard performance.³⁷⁹

2. VZ-RI’s Position

It is VZ-RI’s position that it has fulfilled the requirements of Checklist Item 4. VZ-RI represented that it provides a full set of unbundled loops (analog and digital, 2-

³⁷⁵ Massachusetts Order, ¶ 121, n. 393.

³⁷⁶ Id. at ¶ 121 (citations omitted).

³⁷⁷ Texas Order, ¶ 247.

³⁷⁸ New York Order, ¶ 269.

wire and 4-wire), which CLECs can use to offer a full range of services, such as basic exchange telephone service, Integrated Services Digital Network (“ISDN”), Asymmetrical Digital Subscriber Line (“ADSL”), High-bit-rate Digital Subscriber Line (“HDSL”), 1.544 Mbps digital (“DS-1”) transmission, and 45 Mbps digital (“DS-3”) transmission.³⁸⁰ VZ-RI stated that it also provides for the provisioning of Line Sharing and Line Splitting.³⁸¹

VZ-RI explained that access to loops is provided by cross-connects that run from the VZ-RI distribution frame to the CLEC’s collocation arrangement. Unbundled loops and cross-connects are available from VZ-RI under PUC RI No. 18 Tariff as well as its interconnection agreements.³⁸² VZ-RI maintained that it provides local loops unbundled from local switching or other network elements using the same processes, procedures and service centers in Rhode Island as are used in Massachusetts and New York. Therefore, VZ-RI argued that because the FCC found VZ-MA and VZ-NY to be in compliance with Checklist Item 4, the RIPUC should likewise find VZ-RI in compliance and provide a favorable recommendation to the FCC.³⁸³

VZ-RI asserted that it is already providing unbundled loops in commercial volumes in Rhode Island. It reported that through July 2001, VZ-RI had 25,504 stand-alone loops in service and approximately 3,400 loops provided as part of UNE-P.³⁸⁴ There was a five-fold increase from year-end 1999 through December 2000 in VZ-RI’s

³⁷⁹ See, e.g., Massachusetts Order, ¶ 122 (indicating that the FCC evaluates performance on the aggregate as well as specific loop type basis).

³⁸⁰ Verizon RI 271 Filing - Checklist Declarations, ¶¶ 132-134.

³⁸¹ Id. at ¶¶ 174-200.

³⁸² See Verizon RI 271 Filing - Checklist Declaration, Attachments B and C. TELRIC-based rates, terms and conditions for Verizon RI’s UNE loops have been established by the RIPUC in Docket No. 2681, as discussed under Checklist Item 2. Id.

³⁸³ Verizon’s Post Hearing Brief, p. 43-44.

³⁸⁴ Tr. 10/10/01, p. 17.

stand-alone loop volumes in Rhode Island. VZ-RI maintained that it has successfully met the significant increases in demand and will continue to do so.³⁸⁵

A. POTS Loops and UNE-P

VZ-RI argued that it has excellent results with respect to the metrics traditionally used to measure loop and platform provisioning performance: (1) Missed Appointments Dispatch - Platform (PR 4-04), which measures timeliness; and (2) Percent Trouble Reports Within 30 Days (PR 6-01), which measures quality.³⁸⁶

VZ-RI stated that it provides analog "plain old telephone service" ("POTS") loops (new loops and loops as part of UNE-P) to CLECs at intervals comparable to those provided to its retail customers. During the months of March through May 2001, the Average Completion Interval (PR-2-03) for 1 to 5 POTS loops was 6.27 days, while the retail equivalent for dispatched orders was 4.82 days. VZ-RI argued that it has previously demonstrated in connection with its successful Section 271 applications for Massachusetts and New York that factors outside of Verizon's control can affect reported results for the interval measures.³⁸⁷

UNE-P loop orders were completed in an average of 1.74 days versus an average of 0.75 days for retail POTS dispatched and non-dispatched orders (PR-2-01 and PR-2-03). VZ-RI explained that the disparity in completion intervals is because VZ-RI's UNE-P orders are mostly migration orders, which are given a standard due date interval of two days. The retail comparison group, however, comprises orders to change line features, which typically flow through Verizon's systems and are completed within 24 hours.

³⁸⁵ Verizon's Post-Hearing Brief, pp. 44-45.

³⁸⁶ The FCC also focused on these metrics in its Massachusetts Order, ¶ 162, n. 506, 507.

³⁸⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 136; See Verizon RI 271 Filing – Measurements Declaration, Attachment 3.

Verizon indicated that it is currently working on reducing the due date interval for UNE-P orders.³⁸⁸

VZ-RI represented that it is provisioning CLEC orders for POTS loops and loops provided as part of UNE-P on time. For example, during the period March through May 2001, VZ-RI completed 96.72% of new dispatched UNE loop and UNE-P orders, and 96.24% of its retail dispatched orders, on time (PR-4-04). VZ-RI also pointed out that between June and August 2001, VZ-RI completed over 97% of the new dispatched UNE Loop and UNE-P orders compared to 96.59% of its retail dispatched orders on time.³⁸⁹ Additionally, VZ-RI completed over 1,400 non-dispatched UNE-P orders during the same period and achieved an on-time completion rate of 99.93% on these orders (PR-4-05).³⁹⁰ The on-time completion rate increased to 100% during the months of June through August 2001.³⁹¹

VZ-RI noted that it is consistently meeting the Installation Quality metric (PR-6-01), which measures percentage of troubles reported within 30 days of installation. From March through May 2001, the trouble report was 1.53% for UNE POTS loops and 0.75% for UNE-P, compared to 3.81% for Rhode Island retail.³⁹² From June through August 2001, the trouble report was 2.22% for UNE-POTS loops and 1.25% for UNE-P, compared to 4.19% for retail.³⁹³ Thus, VZ-RI argued, the provisioning data demonstrates that VZ-RI provides nondiscriminatory service to the CLECs.

³⁸⁸ Id.

³⁸⁹ Verizon's Post-Hearing Brief, p. 45; See C2C Performance Reports for June through August 2001.

³⁹⁰ Id. at 137; See Verizon RI 271 Filing – Measurements Declaration, Attachment 3.

³⁹¹ Id.

³⁹² Verizon RI – Filing – Checklist Declaration, ¶ 138; See Verizon RI 271 Filing – Measurements Declaration, Attachment 3.

³⁹³ Verizon's Post-Hearing Brief, p. 46; See VZ-RI's C2C Performance Reports for June through August 2001.

VZ-RI maintained that it also provides maintenance and repair for loops on a nondiscriminatory basis, consistently meeting or exceeding the parity standard for the majority of maintenance and repair performance metrics.³⁹⁴ VZ-RI met the standard for MR 2-02, Network Trouble Report Rate – Loop (POTS) each month between March and August 2001.³⁹⁵

VZ-RI pointed out that its performance in fixing POTS troubles when promised, as measured by the Percentage Missed Repair Appointment - POTS Loop on a weighted average basis (MR-3-01 and MR-3-02), exceeded the retail parity standard for March through May (3.56% UNE loop vs. 8.62% retail).³⁹⁶ It also exceeded the parity standard in the June through August period (7.75% UNE loop vs. 4.73% retail).³⁹⁷ The same is true for residence and business UNE-P troubles on a weighted average basis (MR-3-01), where VZ-RI completed 98.08% of its repair appointments on time, versus 90.99% for retail, over the March through May period.³⁹⁸ Good performance also occurred in the June through August period, when VZ-RI completed 95.18% of its repair appointments on time compared to 92.07% for retail.³⁹⁹

³⁹⁴ Verizon's Post-Hearing Brief, p. 48; See VZ-RI's C2C Performance Reports for June through August 2001. For example, VZ-RI's reported performance in March, April and May 2001, as measured by Network Trouble Report Rate - Loop (*i.e.*, for outside plant troubles) (MR-2-02) was at or better than parity with retail: 0.69% loop and 1.06% UNE-P, compared with 1.13% retail. The Network Trouble Rate – Central Office (MR-2-03) was negligible for UNE loop (0.03%) and UNE-P (0.20%) as well as retail (0.09%). Performance in the June through August period was: .72% loop and 1.41% UNE-P, compared with 1.33% retail. Between March and May 2001, the Network Trouble Rate - Central Office (MR-2-03) was negligible for UNE loop (0.03%) and UNE-P (0.20%) as well as retail (0.09%). Performance in June through August was: UNE loop (0.04%); UNE-P (0.26%) and retail (0.10%). Id.

³⁹⁵ VZ-RI's Response to Record Request 1, Appendix 5 update, p. 7.

³⁹⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 141.

³⁹⁷ Verizon's Post-Hearing Brief, p. 48; See VZ-RI's C2C Performance Reports for June through August 2001.

³⁹⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 141.

³⁹⁹ Verizon's Post-Hearing Brief, p. 48; See VZ-RI's C2C Performance Reports for June through August 2001.

VZ-RI argued that a review of other salient maintenance and repair measures demonstrates that VZ-RI provided timely POTS (loops and UNE-P) repair service to the CLECs in parity with retail service. VZ-RI's UNE performance, as measured by Mean Time to Repair (MR-4-01, 4-02 and 4-03), Percentage Cleared (all troubles) within 24 Hours (MR-4-04) and Percentage Out-of-Service > 24 Hours (MR-4-08), was better than retail for most measurements.⁴⁰⁰

Therefore, based on this data, VZ-RI argued that it is clear VZ-RI makes its UNE POTS loop and UNE-P repair services available on a non-discriminatory basis.⁴⁰¹

B. Hot Cuts

Verizon argued that its hot cut performance in Rhode Island is excellent. VZ-RI is delivering hot cut loops when CLECs request them, as reflected in VZ-RI's on time performance (PR-9-01). VZ-RI completed 97.42% of hot cut orders on time from March through May 2001, which exceeds the 95% "on time" benchmark. Likewise, VZ-RI is delivering quality hot cut loops, as reflected in PR-6-02 (% Installation Troubles reported within 7 Days – Hot Cut Loop). Less than one percent of Hot Cut loop orders completed resulted in a trouble report being issued within 7 days of installation, surpassing the

⁴⁰⁰ Verizon's Post-Hearing Brief, p. 48; See VZ-RI's C2C Performance Reports for June through August 2001. For example in the March through May 2001 period, CLECs enjoyed a shorter Mean Time To Repair (18.01 hours UNE POTS loop, 15.49 hours UNE-P) than did VZ-RI end users (19.68 hours). The same continued to be true for the June through August 2001 period. For example, the CLECs continued to enjoy a shorter Mean Time to Repair (16.32 hours UNE POTs Loops, 15.38 hours UNE-P compared to 23.15 hours for retail)

⁴⁰¹ In May 2001, VZ-RI's provisioning process for POTS loops received ISO 9000 certification. The systems, processes and methods by which VZ-RI maintains and repairs loops in Rhode Island are identical to those used by VZ-MA, where KPMG found that Verizon had satisfied all of the evaluation criteria with respect to maintenance and repair service. See generally, KPMG MA Report, at 239. The KPMG RI Report concluded that "[t]he systems or interfaces, processes management structures and performance measures are equal and alike for both Verizon-MA and Verizon-RI. The personnel and facilities are significantly similar with no material difference between Verizon-MA and Verizon-RI." Id.

objective of less than or equal to 2%.⁴⁰² VZ-RI also met each of the metrics for each month between June and August 2001.⁴⁰³

C. Digital Loops

VZ-RI represented that it provides the same digital loop offerings as its sister companies in Massachusetts and New York. The two major types of digital loops are 2-wire loops capable of providing ISDN services, and 2- and 4-wire xDSL-compatible loops. At the CLEC's request, VZ-RI will provide loop conditioning options, (e.g., removal of all bridged tap) in order to accommodate digital technology. VZ-RI argued that like VZ-MA, it provides nondiscriminatory access to unbundled digital loops.⁴⁰⁴

1. Pre-Ordering

VZ-RI explained that it provides CLECs that order DSL services with access to loop information in four alternative ways: (1) mechanized loop qualification; (2) access to loop make-up information; (3) manual loop qualification; and (4) engineering record requests. These pre-ordering interfaces, which VZ-RI provides to CLECs and its affiliate, VADI, are the same interfaces provided throughout the former Bell Atlantic territory, including Massachusetts and New York. VZ-RI argued that because these four methods of accessing loop make-up information have already been examined and approved by the FCC, VZ-RI is in compliance with this access requirement.⁴⁰⁵

According to VZ-RI, CLECs use the same mechanized loop qualification transaction whether they are interested in using the entire loop for DSL or in line sharing. CLECs can access this mechanized database via the Web GUI, CORBA, or the EDI

⁴⁰² Verizon RI 271 Filing – Checklist Declaration, ¶146.

⁴⁰³ VZ-RI's Response to Record Request 1, Attachment 5 update, p. 6.

⁴⁰⁴ Verizon RI 271 Filing – Checklist Declaration, ¶¶147-148.

⁴⁰⁵ Id. at ¶149; see also, Massachusetts Order, ¶¶ 54-65.

application-to-application interfaces. This is the same database that is used to qualify an end user's line for VADI. As of May 2001, the database has been populated in 21 wire centers. These prequalified loops account for 94% on all loops in Rhode Island and 98% on all loops in central offices with collocation. VADI uses both Web GUI and CORBA for pre-ordering activity.⁴⁰⁶

Pre-order response times for mechanized loop qualification transactions are reported in PO-1-06. VZ-RI's response to mechanized loop qualification requests is excellent. No CLECs in Rhode Island utilized the EDI interface for mechanized loop qualifications during March through May; however, those who utilized CORBA and the Web GUI during that period received their loop qualification information in 2.05 to 5.11 seconds. In contrast, VZ-RI's retail performance ranged from 10.61 to 13.34 seconds.⁴⁰⁷ VZ-RI reported similar performance for the period June through August 2001. According to VZ-RI, CLECs using CORBA and the Web GUI received their loop qualification information in 4.87 seconds. Retail performance ranged from 1.89 to 7.54 seconds.⁴⁰⁸

VZ-RI has indicated that it performs the manual loop qualification and returns the loop information on the firm order confirmation ("FOC"). The standard interval for providing such manual loop qualifications and returning the confirmations is 2 business days. The calculation of this metric (PO-8-01) on the C2C Performance Report is still under development. However, VZ-RI reported that it conducted a special study which

⁴⁰⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 150.

⁴⁰⁷ *Id.* at ¶ 151.

⁴⁰⁸ Verizon's Post-Hearing Brief, p. 52. See June through August C2C Reports.

showed that during March, April and May 2001, 98.1% of manual loop qualification requests were completed within 2 days (including the order confirmation).⁴⁰⁹

2. Ordering

VZ-RI explained that it provides two ordering interfaces – the application-to-application EDI and the Web GUI. As with pre-ordering, CLECs and VADI use the same interfaces and underlying OSS to order line sharing (and unbundled DSL loops) in Rhode Island.⁴¹⁰

According to VZ-RI, both VADI and other CLECs can submit their local service requests (“LSRs”) for line sharing either through the Web GUI interface or the EDI interface. Verizon indicated that it receives orders from CLECs and VADI over the same interfaces, and that the systems and processes used by CLECs and VADI for ordering line sharing are the same. The ordering transactions for line sharing are processed on a first-in, first-out basis regardless of whether the transaction is submitted by VADI or a CLEC, because the interfaces and systems are designed not to distinguish between providers at the time of submission or while processing the transaction.⁴¹¹

VZ-RI noted that the C2C Guidelines include several separate measures of ordering timeliness. These measures include the timeliness of returning local service request confirmations (“LSRCs”) and access service request confirmations (“ASRCs”), commonly referred to as FOCs, and they also include timeliness of reject notices. These measures are referred to in the C2C Performance Reports as OR-1-02, OR-1-04 and OR-1-06 and OR-2-02, OR-2-4 and OR-2-06. VZ-RI’s ordering performance for pre-qualified loops is combined for line sharing and unbundled DSL loops. VZ-RI’s

⁴⁰⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 152.

⁴¹⁰ Id. at ¶ 154.

performance in returning order confirmations and reject notices is excellent. For example, 99.31% of LSRCs (OR-1-04) for 2 Wire Digital Loops (“ISDN”) and 99.42% for xDSL loops were returned on time during March, April and May 2001.⁴¹² VZ-RI’s C2C Performance Reports from June, July and August 2001 showed that 96.13% of the LSRCs (OR-1-04) for ISDN Loops and 98.96% for xDSL Loops were returned on time.⁴¹³ There was no ISDN reject activity (OR-2-04), in March, but in April and May 2001, 97.73% of the rejects were returned on time.⁴¹⁴ In the June through August 2001 period, 100% of the rejects were returned on time. Reject notices for xDSL loops averaged 98.64% in the March through May period and was 100% in June through August period.⁴¹⁵ The standard for each of these categories is 95% within 72 hours.⁴¹⁶

3. Provisioning and Maintenance Performance

VZ-RI indicated that VZ-NY is continuing to work collaboratively with the CLECs regarding the provisioning of xDSL loops. VZ-RI is already providing data competitors in Rhode Island with access to the same methods and system improvements that it has developed in the New York DSL Collaborative.⁴¹⁷ As described herein, these include the implementation of CLEC training programs, procedures for pair swaps, a “no access” management and coordination process, and a cooperative testing process. VZ-RI stated that it will implement any additional operational changes agreed to by the New York DSL Collaborative, subject to any changes by the RIPUC.⁴¹⁸

⁴¹¹ Id.

⁴¹² Id. at ¶ 155.

⁴¹³ VZ-RI’s Response to Record Request 2; Verizon’s Post-Hearing Brief, p. 53.

⁴¹⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 155.

⁴¹⁵ VZ-RI’s Response to Record Request 2; Verizon’s Post-Hearing Brief, p. 53.

⁴¹⁶ Verizon RI 271 Filing – Measurements Declaration, Attachment 3.

⁴¹⁷ Verizon’s Post-Hearing Brief, p. 53. See New York Order, ¶ 317.

⁴¹⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 156.

VZ-RI reported that its performance for provisioning ISDN unbundled loops generally meets the C2C Guidelines.⁴¹⁹ As of the end of May 2001, there were over 300 such loops in service. There was no activity in March, but in April and May 2001, VZ-RI provided quality service to its competitors. Although the Average Completed Interval (PR-2-02) for dispatched UNE ISDN loops was slightly greater than for dispatched retail ISDN loops (5.40 days vs. 4.75 days), results for missed installation appointments (PR-4-04) for CLECs were superior to those achieved for retail (0.00% UNE vs. 2.52% retail).⁴²⁰ VZ-RI noted that its performance during the June through August 2001 period was similar (1.43% UNE vs. 3.61% retail).⁴²¹

VZ-RI explained that Installation Quality (PR-6-01) results appear out of parity for the months of March through May 2001 because of one CLEC that does not perform cooperative testing at turn-up. This CLEC accepts loops without testing and, days later, when the end user is ready for service and there is a problem in the circuit, issues a trouble ticket. VZ-RI acknowledged that this continued to be a problem in the June through August 2001 period, and VZ-RI stated that it is working with the CLEC to solve this issue. In addition, VZ-RI has pointed out that the Carrier Working Group in the New York Carrier-to-Carrier Collaborative has recognized that this metric does not have the appropriate retail compare group.⁴²²

VZ-RI asserted that its UNE ISDN maintenance and repair performance is satisfactory and does not preclude any CLEC from competing against VZ-RI. Although the UNE ISDN trouble report rate on a weighted average basis (MR-2-02 and 2-03) was

⁴¹⁹ Id. at ¶ 159; Verizon's Post-Hearing Brief, p. 54.

⁴²⁰ Verizon RI 271 Filing – Checklist Declaration, ¶ 159; Verizon RI 271 Filing – Measurements Declaration, Attachment 3.

⁴²¹ Verizon's Post-Hearing Brief, p. 54; See June through August 2001 C2C Reports.

higher than that for retail (3.00% UNE compared to 1.04% retail), during the months of March through May 2001, VZ-RI pointed out that the UNE ISDN missed appointment rate on a weighted average basis (MR-3-01 and MR-3-02) was much lower than its retail counterpart (3.33% UNE compared to 26.23% retail). VZ-RI stated that the same pattern held true in the June through August 2001 period. The UNE ISDN trouble report rate on a weighted average basis (MR-2-02 and MR-2-03) was higher than that for retail (1.70% UNE compared to 0.43% retail). However, during the months of June through August 2001, the UNE ISDN missed appointment rate on a weighted average basis (MR-3-01 and MR-3-02) was much lower than its retail counterpart (0.00% UNE compared to 24.00% retail). The mean time to repair UNE ISDN troubles (MR-4-01) was better than retail (13.27 hours vs. 18.10 hours) in the March through May 2001 period.⁴²³ In the June through August 2001 period, the mean time to repair UNE ISDN troubles was also satisfactory (14.25 hours UNE vs. 17.80 hours retail).⁴²⁴

VZ-RI asserted that it has also proven it can handle commercial volumes of xDSL loops. VZ-RI stated that it had provisioned over 2,400 2-wire xDSL loops as of the end of May 2001.⁴²⁵

VZ-RI noted that on average, its on-time performance for xDSL loops has far exceeded the bellwether on-time performance measure, PR-4-04 “Percent Missed Appointment – Verizon Dispatch.” For the March through May 2001 time frame, the

⁴²² Verizon’s Post-Hearing Brief, p. 54; see also Tr. 10/10/01, pp. 26-9.

⁴²³ Verizon’s Post-Hearing Brief, pp. 54-55; See Verizon RI 271 Filing - Measurements Declaration, Attachment 3.

⁴²⁴ Verizon’s Post-Hearing Brief, p. 55; See VZ-RI’s C2C Performance Reports for June through August 2001.

⁴²⁵ Verizon’s Post-Hearing Brief, p. 55. VZ-RI reiterated that it will, on request, condition loops that are not initially xDSL-capable. VZ-RI provides CLECs with a package of standardized pricing, terms and options for conditioning loops and related services. These include the removal of bridged taps or load coils

average Percent Missed Appointments (PR-4-04) was slightly greater than one percent (1.18%) for CLECs, which well exceeds the standard of not greater than five percent (5%) missed appointments.⁴²⁶

VZ-RI maintained that it is provisioning xDSL loops on a timely basis. During March, April and May 2001, VZ-RI provisioned dispatched xDSL loops to CLECs (PR-2-02) in an average of 5.37 days, which compares favorably to the standard installation interval of six (6) business days. VZ-RI also beat the six-business-day-standard interval when non-dispatched orders (PR-2-01) are added to the results.⁴²⁷ VZ-RI reported a similar aggregate performance level for the months of June through August 2001.⁴²⁸

The monthly data for March through May 2001 also show parity in the installation quality for xDSL loops, (see results for PR-6-01 “% Installation Troubles Reported within 30 Days”), where UNE results averaged 1.25%, and retail results averaged 3.81%.⁴²⁹ VZ-RI reported meeting the parity standard for the months of June through August 2001 as well.⁴³⁰

VZ-RI indicated that it uses the same methods and procedures to provision xDSL service in Rhode Island as it does in Massachusetts and New York. When VZ-RI installs an xDSL loop, it is prepared to cooperatively test that loop with the CLEC to verify continuity and ensure that the loop meets the requirements as communicated in

on copper loops and the addition of electronics that extend the effective range of ISDN/xDSL on longer loops.

⁴²⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 162.

⁴²⁷ Id. at ¶ 163.

⁴²⁸ Verizon’s Post-Hearing Brief, p. 56.

⁴²⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 164.

⁴³⁰ Verizon’s Post-Hearing Brief, p. 56. See VZ-RI’s Performance Reports for June through August 2001 .

“Verizon's Technical Requirements” documents for digital loops. Cooperative testing is a standard part of VZ-RI's provisioning process.⁴³¹

As for maintenance and repair services, a review of VZ-RI's performance on these measures during March through May 2001 and June through August 2001 indicates that VZ-RI has generally provided very good service for maintenance and repair for xDSL loops, especially in the category of Mean Time to Repair.⁴³² Missed Repair Appointments on a weighted average basis (MR-3-01 and MR-3-02) for March through May equaled 3.51%, which represents 2 misses out of 57 UNE repair appointments, versus 4.35% or 1 miss out of 23 retail repair appointments. For the June through August period, it equaled 5.00% for UNE, versus 13.79% for retail. On average, VZ-RI reported fixing retail loop troubles (MR-4-02) in 16.68 hours, while CLEC troubles were fixed in 16.83 hours during March through May 2001. During June, July and August 2001, retail loops were fixed in 24.9 hours, while CLEC troubles were fixed in 13.49 hours. VZ-RI indicated that when xDSL troubles were found in the Central Office (MR-4-03), UNE troubles were fixed much sooner than retail (1.87 hours UNE versus 17.22 hours retail) in the March through May 2001 period. In the June through August 2001 period, it was 7.76 hours UNE versus 7.56 hours retail. VZ-RI represented that it fixes CLEC troubles when promised, and within a shorter time span than it does its own retail troubles.⁴³³

Finally, the Trouble Report Rate on a weighted average basis (MR-2-02 and MR-2-03) for CLEC xDSL loops (0.66%) is higher than for retail (0.15%) during the March through May 2001 period. During the June through August 2001 period, it was also

⁴³¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 165.

⁴³² Verizon's Post-Hearing Brief, p. 57; See Verizon RI 271 Filing - Measurements Declarations, Attachment 3. See also VZ-RI's C2C Performance Reports for June through August 2001.

⁴³³ Verizon's Post-Hearing Brief, p. 57.

higher (0.59%) for CLEC xDSL loops compared to retail (0.07%). For both groups, this is an extremely low network trouble report rate. VZ-RI asserted that these results show that VZ-RI provides quality xDSL loops, as demonstrated by the fact that less than one percent of all unbundled xDSL loops provisioned by VZ-RI experienced troubles during the March through May 2001 timeframe as well as in the June through August 2001 period. VZ-RI noted that the higher trouble report rate for CLECs reflects the fact that troubles included in the retail compare group for unbundled xDSL loops (i.e., line sharing provided by VADI) do not include troubles that also affect VZ-RI's voice service, because such "loop" troubles are reported and "scored" as retail POTS voice troubles rather than VADI line share troubles. In contrast, troubles reported on CLEC xDSL loops include all loop troubles.⁴³⁴

D. Unbundled Sub-loops

VZ-RI noted that the FCC found that VZ-MA is providing CLECs with unbundled access to subloops.⁴³⁵ VZ-RI stated that the same should hold true for Rhode Island because VZ-RI follows identical procedures. Subloops are portions of the loop that runs from the central office to the customer premises. The portion closest to the central office is the feeder subloop, while the portions closest to the end users are the distribution subloops. VZ-RI's unbundled distribution sub-loop product offering provides CLECs with access to the copper distribution sub-loop at VZ-RI's Feeder Distribution Interface ("FDI"), where the feeder subloop and the distribution subloop

⁴³⁴ Verizon's Post-Hearing Brief, pp. 57-8.

⁴³⁵ Verizon's Post-Hearing Brief, p. 58. See Massachusetts Order, ¶ 154.

interconnect. DSL service providers, including VADI, can use these subloop UNEs to reach end users served by loops that are equipped with fiber feeder.⁴³⁶

VZ-RI noted that its distribution subloop offering is available in Rhode Island under Part B, Section 11 of the PUC RI No. 18 Tariff and also under interconnection agreements.⁴³⁷ In order to gain access to VZ-RI's distribution facilities, a CLEC must establish a presence near the FDI through the creation of a Telecommunications Carrier Outside Plant Interconnection Cabinet ("TOPIC"). The TOPIC is provided by the CLEC on a CLEC-secured right-of-way or easement, and the CLEC can tailor the TOPIC's design and size to meet its specific needs.⁴³⁸

VZ-RI noted that its standardized subloop offerings also include access to the house and riser cable ("HARC") and to the network interface device ("NID"). Where VZ-RI owns the house and riser at an end user's premises, VZ-RI indicated that it will provide HARC to CLECs on an unbundled basis pursuant to an interconnection agreement. For CLECs that deploy their own loop facilities, VZ-RI stated that it also offers access to its stand-alone NIDs. Any NID deployed on an unbundled loop or distribution sub-loop is provided as part of the product.⁴³⁹ Furthermore, VZ-RI asserted that upon request, it will provide access to other portions of the loop at other technically feasible points, and, if demand materializes, will develop a standardized offering.

⁴³⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 169.

⁴³⁷ As of the end of May 2001, VZ-RI had entered into three interconnection agreements for its distribution subloop offering. *Id.* at ¶ 171.

⁴³⁸ *Id.* at ¶ 170.

⁴³⁹ *Id.* at ¶ 172.

E. Line Sharing

VZ-RI asserted that it offers line sharing in Rhode Island in accordance with the FCC's requirements in its Line Sharing Order.⁴⁴⁰ VZ-RI stated that consistent with the FCC's Line Sharing Order, it offers requesting carriers unbundled access to the high frequency portion of those loops on which VZ-RI provides the voice service to end users. VZ-RI indicated that line sharing is available from VZ-RI under its interconnection agreements and Part B, Section 12 of the PUC RI No. 18 Tariff.⁴⁴¹

As of the end of August 2001, VZ-RI had seven interconnection agreements with line sharing provisions and CLECs had placed over 4,997 line share orders in Rhode Island. Even though all but one of these orders were for VADI, VZ-RI stated that line sharing is available to all CLECs.⁴⁴²

VZ-RI asserted that it uses the same methods and procedures for provisioning line sharing orders in Rhode Island as are used by VZ-MA and VZ-NY. VZ-RI pointed out that the FCC found that VZ-MA had satisfied its line sharing obligations.⁴⁴³

⁴⁴⁰ See Deployment of Wireline Services Offering Advanced Telecommunications Capabilities and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Third Report and Order in CC Docket 98-147, Fourth Report and Order in CC Docket 96-98, 14 FCC Rcd 20912 (1999) ("Line Sharing Order").

⁴⁴¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 174.

⁴⁴² Id. at ¶ 175; See Tr. 10/10/01, p. 46.

⁴⁴³ Verizon RI 271 Filing – Checklist Declaration, ¶ 176; See Massachusetts Order ¶ 165. VZ-RI indicated that like VZ-MA, VZ-RI offers CLECs a choice of two line sharing arrangements. One arrangement, known as Option A, provides CLECs with the ability to install, own and maintain the splitter in the CLEC's own collocation arrangement. (The splitter separates the data-carrying, high frequency portion of the loop, from the voice-carrying, low frequency portion of the loop.) The second arrangement, Option C, allows a CLEC-owned splitter to be installed and maintained by VZ-RI in VZ-RI's central office space.

VZ-RI has also developed procedures for handling voice service interruptions that are caused by the CLEC's data service when line sharing is deployed. In these situations, VZ-RI will restore the customer's voice service by bypassing the splitter, and immediately notify the CLEC and request that the CLEC test and repair its data service. When the CLEC notifies VZ-RI that the problem on the CLEC's data service has been corrected, VZ-RI will reconnect the line to the splitter and charge the CLEC a fee to recover its costs for isolating and temporarily removing the malfunctioning data service.

Line sharing is also available to CLECs that seek to serve customers whose lines are partially fiber and are served by digital loop carrier ("DLC") systems. Loops equipped with DLC are fiber between the central office and the remote terminal, and copper from the remote terminal to the customer's premises. In

VZ-RI noted that evidence that it is providing non-discriminatory access to line sharing is normally seen by comparing its performance in provisioning VADI's service with its performance in provisioning service to other CLECs.⁴⁴⁴ VZ-RI asserted that in Rhode Island, this is not practical due to the small volumes from other CLECs.⁴⁴⁵ VZ-RI pointed out that in its Massachusetts Order, the FCC stated that in the alternative it was appropriate to look to Verizon's line sharing performance in New York, where line sharing volumes were larger.⁴⁴⁶ Following this line of reason, VZ-RI presented the RIPUC with Massachusetts line sharing data (where line sharing volumes are larger than in Rhode Island) to demonstrate that it was providing CLECs with non-discriminatory treatment.⁴⁴⁷

VZ-RI noted that at year-end 2000, there were approximately 44,500 shared lines in Massachusetts. By the end of May 2001, VZ-RI reported that that figure had risen to roughly 74,000 among three CLECs. VZ-RI stated that the VZ-MA C2C Performance Reports for March through May 2001 showed that VZ-MA provides line sharing on a non-discriminatory basis. The Average Completion Interval (PR-2-01, PR-2-02) for

order to provide DSL service, a copper-based technology, in a line sharing arrangement to customers served by DLC, the CLEC must obtain access to the copper distribution subloop portion (i.e., the final leg) of the loop. CLECs seeking to serve customers with DLC on their lines have three provisioning options available to them.

First, as noted above, pursuant to Verizon's unbundled subloop offering, a CLEC may collocate either in or adjacent to the remote terminal and interconnect at the feeder distribution interface to obtain access to the copper distribution portion of the loop. The second option is like the first one except that the CLEC can purchase, from Verizon, a high speed transmission path (i.e., a DS-1 or DS-3 feeder facility) as either an unbundled network element or a service between the CLEC's remotely collocated DSLAM (Digital Subscriber Line Access Multiplexer) and the central office to transport its data signal between these two points. Third, Verizon has agreed to provide CLECs with "line and station transfers" pursuant to which Verizon will move or switch a customer whose line is equipped with DLC to a full (i.e., from the central office to the customer's premises) copper loop, provided that such a loop is available and that the length of the full copper loop would not result in a significant degradation of the voice service, thereby enabling the CLEC to provision its DSL service over the entire length of the loop. Id. at ¶¶ 179-186.

⁴⁴⁴ See Massachusetts Order, ¶¶ 163-165.

⁴⁴⁵ Verizon's Post-Hearing Brief, p. 60.

⁴⁴⁶ Id.

⁴⁴⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 188.

CLECs was 4.27 days, the Percentage Missed Appointments (PR-4-04, PR-4-05) was 1.29% and Percentage Installation Troubles within 30 days (PR-6-01) was 0.38%. The corresponding results for service provided to VADI were 3.71 days for Average Completed Interval, 0.49% for Percentage Missed Appointments, and 0.30% for Percentage Installation Troubles within 30 days.⁴⁴⁸

VZ-RI stated that VZ-MA's C2C Performance Reports for June through August 2001 also showed that VZ-MA provides line sharing on a non-discriminatory basis. The Average Completion Interval (PR-2-01, PR-2-02) for CLECs was 3.02 days, the Percentage Missed Appointments (PR-4-04, PR-4-05) was 0.41% and Percentage Installation Troubles within 30 days (PR-6-01) was 0.20%. The corresponding results for service provided to VADI were 3.00 days for Average Completed Interval, 0.64% for Percentage Missed Appointments, and 0.81% for Percentage Installation Troubles within 30 days.⁴⁴⁹

VZ-RI indicated that maintenance results for Massachusetts were similarly satisfactory. During March through May 2001, the CLEC network trouble report rate (MR-2-02, MR-2-03) was 0.25% versus 0.13% for VADI, the mean time to repair (MR-4-02, MR-4-03) was 11.25 hours for CLECs, versus 21.12 hours for VADI, and the repeated report rate (MR-5-01) was 53.33% for CLECs and 50.90% for VADI. During June through August 2001, the CLEC network trouble report rate (MR-2-02, MR-2-03) was 0.09% versus 0.12% for VADI, the mean time to repair (MR-4-02, MR-4-03) was

⁴⁴⁸ Verizon's Post-Hearing Brief, p. 60-61.

⁴⁴⁹ Id. at 61.

12.19 hours for CLECs, versus 23.10 hours for VADI, and the repeated report rate (MR-5-01) was 8.09% for CLECs and 20.27% for VADI.⁴⁵⁰

VZ-RI asserted that all these metrics generally meet the objective of “parity with VADI.” To the extent that some of these metrics demonstrate slight disparities in performance, VZ-RI contended, no indications exist that CLECs are being hindered in their ability to compete with VADI for line sharing customers in Massachusetts. Moreover, KPMG measured VZ-MA’s ability to adhere to tasks defined in its methods and procedures documentation. Specifically, KPMG evaluated ADSL line sharing installations to validate that VZ-MA technicians performed all of the required tasks defined in the documentation. During 78 installations, KPMG observed VZ-MA technicians execute 615 of 624 (99%) tasks as defined in the methods and procedures documentation, which far exceeded the adherence standard of 85%.⁴⁵¹

In addition to relying on its proven experience in Massachusetts, VZ-RI indicated that it requested, and by mid-February began receiving, forecasts from Rhode Island CLECs of their anticipated demand for line sharing. These forecasts provided basis for VZ-RI to determine appropriate staffing levels to ensure VZ-RI’s ability to handle the anticipated demand for line sharing in Rhode Island.⁴⁵²

Verizon’s National Market Center (“NMC”) has established two xDSL/Line Sharing centers – one in Boston, Massachusetts and another in Chesapeake, Virginia – that are exclusively devoted to provisioning orders for line sharing and unbundled xDSL loops. According to VZ-RI the Boston xDSL/Line Sharing Center is responsible for processing all of the orders in Massachusetts, Rhode Island, New Hampshire, Vermont,

⁴⁵⁰ Id. at 61-2.

⁴⁵¹ Id. at 62 (citations omitted).

Maine, Connecticut and New York, and is capable of handling the anticipated volume of orders.⁴⁵³

Finally, according to VZ-RI, line sharing is also available to CLECs that seek to serve customers whose lines are partially fiber and are served by DLC systems. Loops equipped with DLC are fiber between the central office and the remote terminal, and copper from the remote terminal to the customer's premises. In order to provide DSL service, a copper-based technology, in a line sharing arrangement to customers served by DLC, the CLEC must obtain access to the copper distribution subloop portion (*i.e.*, the final leg) of the loop.⁴⁵⁴

F. Line Splitting

VZ-RI asserted that it is permitting CLECs to engage in line splitting in a manner consistent with the FCC's Orders.⁴⁵⁵ VZ-RI noted that the FCC found that VZ-MA makes it possible for CLECs to engage in line splitting in Massachusetts.⁴⁵⁶ According to VZ-RI, CLECs in Rhode Island can offer voice and data over a single loop in a line splitting arrangement in the same manner that is available to CLECs in Massachusetts. CLECs seeking to offer voice and data over a single loop may do so by purchasing an unbundled xDSL-capable loop and unbundled switching combined with transport terminated to an appropriate collocation arrangement and connected to a CLEC-provided splitter and DSLAM equipment. With this line splitting arrangement, a CLEC can

⁴⁵² *Id.*

⁴⁵³ *Id.*; See Verizon RI 271 Filing – OSS Declaration, ¶ 77.

⁴⁵⁴ Verizon's Post-Hearing Brief, p. 62. VZ-RI stated that CLECs seeking to serve customers with DLC on their lines have three provisioning options available to them. *Id.* (citations omitted).

⁴⁵⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 191; See Deployment of Wireline Services Offering Advanced Telecommunications Capabilities and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Third Report and Order on Reconsideration in CC Docket No. 98-147, Fourth Report and Order on Reconsideration in CC Docket No. 96-98 (rel. Jan. 19, 2001) (“**Line Sharing Reconsideration Order**”).

provide both the voice and data service itself or it can partner with another CLEC. The unbundled network elements that comprise this line splitting arrangement are currently available from VZ-RI.⁴⁵⁷

VZ-RI explained that in order to comply with the FCC's mandate in its Line Sharing Reconsideration Order, ILECs have an obligation to permit CLECs "to offer both voice and data service over a single unbundled loop" in a line splitting configuration, and ILECs must make necessary network modifications including access to OSS necessary for the "pre-ordering, ordering, provisioning, maintenance and repair, and billing for loops used in line splitting arrangements." VZ-RI participated in the New York DSL Collaborative regarding implementation of line splitting arrangements.⁴⁵⁸ VZ-RI indicated that in October, 2001, Verizon implemented new OSS capabilities throughout

⁴⁵⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 191; See Massachusetts Order, ¶ 176.

⁴⁵⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 191. Using these existing unbundled network element offerings, CLECs have several options available to them to provide integrated voice and data services in a line splitting arrangement. None of these options is specific to line splitting, and all of them are available today through VZ-RI's existing offerings. First, if a CLEC wants to engage in line splitting to serve a customer that does not have a pre-existing voice or data account with any carrier, the CLEC can order a new unbundled DSL-capable loop and a new unbundled local switching port, combined with transport, terminated to an appropriate collocation arrangement.

Second, if CLECs want to engage in line splitting to serve an end user that already has voice service, the CLECs can again order a new unbundled xDSL-capable loop and unbundled switching element, and configure those elements in a line splitting arrangement as described above. Third, if a CLEC serving an end user through the UNE platform wants to engage in line splitting, the CLEC can enter into a line splitting arrangement that re-uses the unbundled loop and switch port elements that were a part of the pre-existing platform arrangement. To do so, the CLEC must initiate a LSR for a conversion from a loop, assuming it is xDSL capable, and port combination to an individual loop and port. On this LSR, the CLEC completes the service-specific forms for unbundled loop and switching facilities. Upon receipt of such an LSR, VZ-RI issues the necessary internal service orders to perform the following activities in the following order: 1) disconnect the existing UNE-P service; 2) connect the port to the appropriate collocation arrangement; and 3) connect the loop to the appropriate collocation arrangement. The "rearrangement" to move the loop and the port to the appropriate collocation arrangement is an entirely manual process, which will not result in a seamless migration and may cause some minimal service disruption.

VZ-RI can coordinate the activities in the third scenario to enable a UNE-P CLEC to re-use the unbundled loop, assuming it is xDSL capable, and unbundled switching in a line splitting arrangement today. In addition, VZ-RI is developing line splitting-specific OSS capabilities that will further facilitate migrations from a UNE-P arrangement to a line splitting arrangement based on the business processes defined in the New York DSL Collaborative.

⁴⁵⁸ Verizon's Post-Hearing Brief, p. 63; See Line Sharing Reconsideration Order, ¶¶ 18-20.

the former Bell Atlantic footprint in order to support CLEC provisioning of line splitting consistent with the business processes defined in the New York DSL Collaborative.⁴⁵⁹

VZ-RI asserted that it is capable of handling commercial volumes of line splitting, noting that the FCC has already concluded that Verizon can handle UNE combinations, and that line splitting can be achieved today through the combination of UNEs.⁴⁶⁰

G. High Capacity Loops

VZ-RI maintained that it offers access to unbundled high capacity loops, including DS-1s, DS-3s and other specially designed digital loops, in the same manner as in Massachusetts. These complex loops are available in Rhode Island under interconnection agreements and the PUC RI No. 18 Tariff, Part B, Section 5.3. However, VZ-RI indicated that it received relatively few orders for unbundled high capacity loops in Rhode Island through the end of July 2001. According to VZ-RI, high capacity loops account for only a small fraction (1.05%) of all unbundled loops provided to competitors in Rhode Island.⁴⁶¹

VZ-RI indicated that its ordering results for high capacity facilities was mixed during March, April and May 2001. VZ-RI's results for returning order confirmation notices within 72 hours of receiving an ASR for DS1 facilities that required a facilities check [OR-1-06 -- % On Time ASR Facility Check] was 68.48% versus the standard of 95%. VZ-RI's results in May 2001 improved to almost 90% and, in June 2001, exceeded 95% for designed circuits that require a facility check. However, these performance results then declined in August and September 2001. VZ-RI asserted that these results

⁴⁵⁹ Verizon's Post-Hearing Brief, p. 64.

⁴⁶⁰ Id.; See Massachusetts Order, ¶¶ 117-120, New York Order, ¶¶ 231-232.

⁴⁶¹ Verizon RI 271 Filing - Checklist Declaration, ¶¶ 201-02. DS-1 loops accounted for 268 out of 25,504 unbundled loops through the end of July, 2001. Tr. 10/10/01, pp. 75-76.

were very good given that VZ-RI's experience in provisioning unbundled special services (and similarly designed retail and wholesale special circuits) indicates that the current 72 hour standard for returning an order confirmation is insufficient to complete a comprehensive facility check and issue an order confirmation. In contrast, VZ-RI's ordering results for issuing reject notices to CLECs during the same three month period was 98.00% versus the standard of 95% within 72 hours [OR-2-06 -- % On Time ASR Reject Facility Check].⁴⁶²

VZ-RI also asserted that the Average Completion Interval – DS-1 (PR-2-07) for UNE DS1 loops shows solid improvement, averaging 18.36 days in March through May 2001, while its retail equivalent averaged 25.96 days. June through August 2001, revealed continuing parity performance with completion times averaging 25.07 days for wholesale versus 26 days for retail.⁴⁶³ Similarly, Missed Appointments - DS-1 (PR-4-01) averaged 3.85% over the three-month period from March through May 2001, while retail averaged 59.21%. Again, VZ-RI reported continuing parity performance in June through August 2001 with 0% missed appointments for CLECs versus 32.39% for retail. VZ-RI asserted that these results are indicative of VZ-RI's commitment to continuously improving its performance to its wholesale customers.⁴⁶⁴

VZ-RI explained that Maintenance and Repair results for high capacity loops are not disaggregated from other special services such as Interoffice Facilities ("IOF"). VZ-RI asserted that overall, the results confirm that it is providing CLECs with a level of service that is generally at parity with retail. Although the UNE Mean Time to Repair

⁴⁶² Verizon RI 271 Filing – Checklist Declaration, ¶ 203; Verizon's Post-Hearing Brief, p. 65.

⁴⁶³ Verizon's Post-Hearing Brief, p. 66. However, in July 2001, VZ-RI reported being out of parity, attributing the "miss" to a wholesale sample size of 7 orders.

⁴⁶⁴ Id.

(MR-4-01) metric for CLECs (6.51 hours) was slightly higher than for retail (5.68 hours) during the March through May 2001 period, and again during the June through August 2001 period (7.16 hours for CLECs and 5.66 hours for Retail).⁴⁶⁵

VZ-RI stated that this difference is due to a higher proportion of reported troubles that were found in the outside plant portion of the network. For example, in both April and May 2001, approximately 75% of UNE Special Services troubles, which include high capacity loop troubles, were found in the outside plant, compared to only 60% of retail troubles that were found in the outside plant. Since it generally takes more time to repair troubles in the outside plant, a disproportionate number of these troubles will result in a longer Mean Time To Repair interval. In addition, VZ-RI opined that its performance on some high capacity loop metrics was attributable to the fact that the metrics may not have the appropriate retail compare group. However, despite these slight disparities, VZ-RI argued that no evidence exists that CLECs have not been given a meaningful opportunity to compete with VZ-RI in the high capacity loop market in Rhode Island.⁴⁶⁶

Furthermore, VZ-RI asserted that analysis of trouble reports where VZ-RI discovered a network problem shows that VZ-RI is providing timely repair service to CLECs. During March through May 2001, 100% of UNE troubles and 98.67% of retail troubles were cleared within 24 hours (MR-4-04). During the June through August 2001 period, 97.62% of the UNE troubles and 98.46% of the retail troubles were cleared in 24 hours. VZ-RI maintained that it also provides CLECs a higher quality of repair service, as measured by the Percentage of Repeat Trouble Reports (MR-5-01). VZ-RI's repeat trouble report data, like VZ-MA's, shows that after a repair visit, CLECs continue to

⁴⁶⁵ Id. at 67.

⁴⁶⁶ Id. at 66-7.

experience problems on their high capacity loops less often than do retail customers. The Repeat Report Rate for UNE specials was 14.29% compared to 21.73% for retail during the March through May 2001 period. Parity service was also achieved on this measure in the June through August 2001 period, 21.43% for UNE specials compared to 21.39% for retail.⁴⁶⁷

VZ-RI stated that since high capacity loops comprise only a very small percentage of the loops that VZ-RI provides to CLECs in Rhode Island, the mixed performance should not have an adverse impact on any evaluation of the service that VZ-RI provides to CLECs on the aggregate of all loops, which it believes is excellent. VZ-RI cited the FCC's Massachusetts Order, stating that the FCC drew a similar conclusion in regard to VZ-MA's high capacity loop performance when it stated that "we look to the totality of the circumstances in evaluating Verizon's performance in providing loops in accordance with the checklist requirements. Given the low volumes of orders for high capacity loops in Massachusetts, we cannot find that Verizon's performance for high capacity loops results in a finding of noncompliance for all loop types."⁴⁶⁸

3. CLEC Comments

Only one party, Conversent, filed comments regarding VZ-RI performance under Checklist Item 4, and its comments were limited to two areas. First, Conversent complimented VZ-RI on its hot cut performance, stating, that "Verizon has done a good job performing hot-cuts in Rhode Island. This has allowed the Company a meaningful opportunity to compete"⁴⁶⁹

⁴⁶⁷ Id. at 67.

⁴⁶⁸ Verizon's Post-Hearing Brief, pp. 67-8, citing Massachusetts Order, ¶ 156. As of July 2001, only 268 of the 25,504 loops in Rhode Island were high capacity loops. Tr. 10/10/01, p. 75.

⁴⁶⁹ Conversent's Checklist Declaration ¶ 8.

Second, Conversent challenged VZ-RI's performance on UNE high capacity DS-1 and DS-3 loops. In particular, Conversent claimed that: (a) VZ-RI's policy to reject CLEC orders for high capacity loops for lack of facilities has had an adverse impact on its ability to serve end users; (b) VZ-RI sometimes provides a distant FOC date for these loops; and (c) VZ-RI's provisioning performance on these loops is not satisfactory.⁴⁷⁰ However, at the RIPUC's hearing on this checklist item, Conversent withdrew its declaration and did not seek to have it admitted as an exhibit in full.⁴⁷¹

4. RIDPUC Comments

The RIDPUC stated that VZ-RI had shown that based on the totality of the circumstances, it was provisioning unbundled local loops to CLECs in substantially the same time and manner as it provisions such unbundled local loops to itself and its affiliates.

In response to specific questions regarding VZ-RI's performance results for metric OR-1-06, the RIDPUC's witness stated that the measure did not provide VZ-RI sufficient time to comply with the ordering provisions required by the metric for high-capacity loops.⁴⁷²

The RIDPUC took the position that VZ-RI's performance levels were such that the FCC would find them to be in compliance with the requirements of Checklist Item 4. The RIDPUC recommended the RIPUC find VZ-RI to be in compliance with this checklist item.⁴⁷³

⁴⁷⁰ Id. at ¶¶ 9-22.

⁴⁷¹ Tr. 10/10/01, pp. 6, 13-14, 76-77.

⁴⁷² Tr. 10/11/01, pp. 9-10. "With regard to that metric, I would be inclined to agree with Verizon on that point. I think the time frame, three days, is probably far too short." Id. at 10.

⁴⁷³ RIDPUC's Exhibit 1, Appendix, p. 4.

5. VZ-RI's Rebuttal

Although Conversent's declaration was not made an exhibit in this case, VZ-RI did respond to issues Conversent raised.⁴⁷⁴ VZ-RI asserted that Conversent's allegations were without merit and even if they had merit, poor performance in the provisioning of high capacity loops would not provide a basis for a finding that VZ-RI has failed to satisfy Checklist Item 4. VZ-RI again noted that as of May 2001, "[h]igh capacity loops accounted for only a small fraction (0.98%) of the unbundled loops provided to competitors in Rhode Island."⁴⁷⁵ VZ-RI also reiterated its assertion that in Massachusetts, the FCC found that "[g]iven the low volume of orders for high capacity loops in Massachusetts, we can not find that Verizon's performance for high capacity loops results in a finding of noncompliance for all loop types."⁴⁷⁶ Therefore, VZ-RI argued, the same should hold true for Rhode Island.

VZ-RI then addressed the remainder of Conversent's concerns. VZ-RI argued that under the Act, it is required to unbundle for its competitors only its existing network.⁴⁷⁷ Furthermore, VZ-RI argued, it meets its unbundling obligation by providing high capacity loops where facilities are available. Indeed, VZ-RI believes that it goes beyond its unbundling obligation in certain situations where not all of the necessary

⁴⁷⁴ Verizon's Post-Hearing Brief, pp. 68-73.

⁴⁷⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 202.

⁴⁷⁶ Verizon's Post-Hearing Brief, p. 65 (citations omitted).

⁴⁷⁷ *Id.* at 68-9, arguing that The United States Court of Appeals for the Eighth Circuit has held that the requirement to unbundle applies only to the network the incumbent LEC already has, not to some superior network that it would have to build for the requesting CLEC. Iowa Utilities Board v. FCC, 120 F.3d 753, 812-13 (8th Circuit 1997), appealed on other grounds, AT&T Corp. v. Iowa Utilities Board, 119 S. Ct. 721 (1999). According to VZ-RI, the Court held that the Act does not require VZ-RI to build a new network or new facilities for CLECs. Network construction is not a UNE. Just like VZ-RI, CLECs are capable of hiring contractors to dig up streets, lay fiber, or install new network equipment.

facilities are available, but the loop can be activated without the need for additional construction or equipment installation.⁴⁷⁸

VZ-RI explained that where high capacity loop facilities are already in use serving a customer, it will transfer those facilities to fill a CLEC order for an unbundled high capacity loop. In these cases, VZ-RI will cross-connect the high capacity loop to the CLEC's collocation arrangement in the central office where that high capacity loop terminates. In addition, VZ-RI will fill a CLEC's order for an unbundled high capacity loop where the central office common equipment and the equipment at the end user's location necessary to create a high capacity loop can be accessed. This means that VZ-RI will install the appropriate high capacity card in the spare slots or ports of the equipment and perform cross-connection work between the common equipment and the wire or fiber facility between the central office and the customer premises.⁴⁷⁹

Furthermore, VZ-RI indicated that it will terminate the high capacity loop in the appropriate network interface device at the customer premises, such as a Smart Jack or a Digital Cross Connect ("DSX"). In instances where no facilities are available, VZ-RI has indicated that it contacts CLECs by telephone and explains why a facility is not available, e.g., no suitable cable is available. Where no facilities exist, "wholesale customers of Verizon, like its retail customers, may request Verizon to provide DS1 and DS3 services pursuant to the applicable state or federal tariffs."⁴⁸⁰ During the hearings, Conversent acknowledged that it had not fully understood that it could obtain high capacity loops out of Verizon FCC Tariff No. 11 and stated that the ability to obtain these loops satisfied its

⁴⁷⁸ Verizon's Post-Hearing Brief, p. 69.

⁴⁷⁹ Id.

⁴⁸⁰ Id. at 69-70.

business needs.⁴⁸¹ VZ-RI also argued that in the Pennsylvania Order,⁴⁸² the FCC directly addressed Verizon’s “no facilities” policy and found that it did not violate the FCC’s rules or warrant a finding of checklist non-compliance. Thus, even if there was some doubt about the validity of VZ-RI’s “no facilities” policy, VZ-RI argued that the FCC already has concluded that this issue should not be resolved in the context of a 271-approval proceeding.⁴⁸³

VZ-RI also addressed Conversent’s concerns regarding FOC dates for high capacity UNE loops “that are 30 days, 60 days, or even 90 days out and longer.” VZ-RI explained that standard provisioning intervals only apply when it has facilities available. If no facilities are available, VZ-RI contends that it has the right to reject the requested order. The fact that a CLEC may be receiving FOCs with 30, 60 or 90 day intervals means that VZ-RI has determined that facilities will become available in the near future, and has provided a FOC date that comports with the estimated completion date for the construction project.

In other words, according to VZ-RI, it is not required to build new facilities for CLECs. If VZ-RI has a construction project scheduled that will make the requested facilities available shortly, then VZ-RI has been giving CLECs the benefit of that new construction by scheduling its order to match the expected date when facilities may be available, instead of rejecting the order because the facilities are not available when ordered. Thus, according to VZ-RI, these FOC dates are actually evidence that VZ-RI is

⁴⁸¹ Id. at 70; See Tr. 10/10/01, at 13-14; 38-41; 76-77.

⁴⁸² In the Matter of Application of Verizon Pennsylvania, Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks, Inc., and Verizon Select Services, Inc., for Authorization to Provide In-Region, InterLATA Services in Pennsylvania, (“Pennsylvania Order”), CC Docket No. 01-138, FCC 01-269 (Rel. September 19, 2001).

⁴⁸³ Verizon’s Post-Hearing Brief, p. 70 (citations omitted).

attempting to satisfy CLEC's requests for high capacity loops, instead of rejecting orders for "no facilities," as it may do under applicable law.⁴⁸⁴

As VZ-RI pointed out, Conversent noted that a review of data over the period from January 2000 to June 2001 indicates that VZ-RI's "provisioning of DS-1 UNE loops has been inferior to its retail provisioning performance." However, as VZ-RI also pointed out, the FCC has stated that in reviewing a BOC's performance in a 271 proceeding, the FCC looks at a "snap shot in time" prior to the filing. In general, the FCC limits its review to the three- to five-month period preceding a 271 filing. To meet that requirement, VZ-RI presented performance data in its Checklist Declaration for the March to May 2001 period – the most recent months for which data was available prior to its 271 Filing with the RIPUC - which demonstrates that it has satisfied the relevant Checklist criteria. According to VZ-RI, the FCC has indicated that data for earlier periods are not probative of VZ-RI's current performance which is reflected by the three to five month period preceding the filing of VZ-RI's 271 Application.⁴⁸⁵

6. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 4. VZ-RI has demonstrated that it provides local loops unbundled from local switching or other network elements using the same processes and procedures in Rhode Island as are used in Massachusetts and New York. VZ-RI reported that as of July 2001, it had 25,504 stand-alone loops in service and approximately 3,400 loops provided as part of UNE-P. In the area of line sharing, we note that as of August 2001, VZ-RI had seven

⁴⁸⁴ Id. at 70-1 (citations omitted).

⁴⁸⁵ Id. at 72. According to VZ-RI, a review of its performance results for PR-4-01 from March through August 2001 indicates acceptable performance for each month. See VZ-RI's Response to Record Request 1, Attachment 5 update, p. 6.

interconnection agreements with line sharing provisions and over 4,997 line share orders were placed in Rhode Island.⁴⁸⁶ VZ-RI has demonstrated that it uses the same methods and procedures for provisioning line sharing orders in Rhode Island as are used in Massachusetts and New York. KPMG evaluated 78 ADSL line sharing installations to validate that VZ-MA's technicians performed all of the required tasks defined in the documentation. We note that during the 78 installations, KPMG observed VZ-MA's technicians execute 99% of the tasks as defined in the methods and procedures documentation.

As for metric performance, we find that VZ-RI's provisioning, and maintenance and repair of UNE loops from March through August 2001 was generally good. We note that VZ-RI was subject to more metrics in 2001 than VZ-MA in 2000. From March to August 2001, VZ-RI met 76% to 87% of UNE Loops PAP metrics which had activity and were not under development. In comparison, however, from March to July, 2000, VZ-MA met only 57% to 86% of UNE Loops PAP metrics which had activity and were not under development or qualified for the small sample exemption.⁴⁸⁷ VZ-RI's performance from March through August 2001 was also as good or better than VZ-MA's performance from March through July 2000.⁴⁸⁸

As a whole, VZ-RI's performance in UNE Loops is good and only in a few instances was VZ-RI's performance unsatisfactory or questionable for a majority of the six months under review from April through August 2001. In the area of provisioning metrics, for PR-4-02 (Average Delay Days-Total-POTS), VZ-RI's questionable

⁴⁸⁶ All but one of these orders were placed by VADI.

⁴⁸⁷ Compare Verizon-Rhode Island 271 Checklist Declaration, Attachment 5, p. 13 to Verizon's Response to Record Request No. 2 (VZ-MA's PAP metrics).

performance here presumably relates to small size of the sample. As for PR-6-01 (% Installation Troubles within 30-days-2 Wire Digital), we acknowledge VZ-RI's explanation that its performance for this metric may be impacted by a CLEC's failure to perform cooperative testing at turn up and the possibility that this metric does not have the appropriate retail compare group.⁴⁸⁹

In the area of maintenance and repairs metrics, VZ-RI had difficulty satisfying the metrics MR-2-01 (Network Trouble Report Rate-Specials) as well as MR-2-02 (Network Trouble Report Rate-Loop-2Wire Digital) and (2Wire xDSL Loops). We acknowledge VZ-RI's explanation that there is a possibility that these metrics might not have the appropriate retail compare group⁴⁹⁰ and that VZ-RI's questionable performance in MR-5-01 (% Repeat Reports within 30 days-Loop (POTS)) could result from CLECs failing to provide VZ-RI adequate direction regarding trouble tickets. Nevertheless, we have ordered certain of the aforementioned metrics to be placed into the Critical Measures section of the Rhode Island PAP so as to encourage VZ-RI to improve its performance in these areas.⁴⁹¹

Based upon the totality of the circumstances, it is clear that VZ-RI's performance in PAP metrics for UNE Loops is good and, in many cases better than VZ-MA's PAP metrics performance at the time of VZ-MA's 271 Application in 2000. We note that Conversent, a prominent CLEC in Rhode Island, withdrew its testimony in this proceeding after VZ-RI acknowledged that CLECs can order high capacity loops, such as DS-1, through the Verizon FCC Tariff 11 at a special access rate and subsequently opt to

⁴⁸⁸ Compare Verizon-Rhode Island 271 Checklist Declaration, Attachment 5, p. 13 to Verizon's Response to Record Request No. 2 (VZ-MA's PAP metrics).

⁴⁸⁹ Tr. 10/10/01, pp. 26-28.

⁴⁹⁰ Id. at 28-29.

have these loops charged at a UNE rate.⁴⁹² We commend VZ-RI for working in a cooperative manner with CLECs such as Conversent to ensure that the local telecommunications market is open to all. We find that VZ-RI is providing CLECs with non-discriminatory access to its local loops and appropriately provisions and maintains these loops for CLECs in compliance with Checklist Item 4. Therefore, we recommend the FCC find that VZ-RI has complied with the requirements of this checklist item.

E. CHECKLIST ITEM 5 – LOCAL TRANSPORT FROM THE TRUNK SIDE OF A WIRELINE LOCAL EXCHANGE CARRIER SWITCH UNBUNDLED FROM SWITCHING OR OTHER SERVICES

1. Applicable Law

Section 271(c)(2)(B)(v) of the Act requires VZ-RI to provide “local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.”⁴⁹³ The FCC has previously indicated that it requires BOCs to provide both dedicated and shared transport to requesting CLECs.⁴⁹⁴ The FCC has indicated that “dedicated transport consists of BOC transmission facilities dedicated to a particular customer or carrier that provide telecommunications between wire centers owned by BOCs or requesting telecommunications carriers, or between switches owned by BOCs or requesting telecommunications carriers.”⁴⁹⁵ The FCC has also noted that “shared transport consists of transmission facilities shared by more than one carrier, including the BOC, between end office switches, between end office switches and tandem switches,

⁴⁹¹ RIPUC Order No. 16809 (issued December 3, 2001), pp. 41-42.

⁴⁹² Tr. 10/10/01, pp. 77, 81-83.

⁴⁹³ 47 U.S.C. § 271(c)(2)(B)(v).

⁴⁹⁴ New York Order, ¶ 337 citing Second BellSouth Louisiana Order, 13 FCC Rcd at 20719.

⁴⁹⁵ Id.

and between tandem switches, in the shared and dedicated transport in compliance with the requirements of this checklist item.”⁴⁹⁶

2. VZ-RI’s Position

VZ-RI asserted that, because it provides local transport unbundled from switching or other network elements using substantially the same processes and procedures in Rhode Island as are used in Massachusetts and New York, it is in compliance with the requirements of Checklist Item 5.⁴⁹⁷

A. Dedicated Transport

Dedicated interoffice facility (“IOF”) transport provides the CLECs exclusive use of the interoffice facility. VZ-RI stated that it offers transmission capabilities, such as DS-1, DS-3, STS-1, and optical carrier levels OC-3 and OC-12. The physical interface for all optical transport is optical fiber. Dedicated transport is available within the same LATA between CLEC central offices and VZ-RI central offices and among VZ-RI central offices. VZ-RI explained that in the case of DS-1 or DS-3 transport, access to dedicated transport is provided from the CLEC’s collocation arrangement in a VZ-RI central office through an appropriate cross-connection made on a Digital Signal Cross Connect (“DSX”) bay; in the case of optical transport, it is provided on a Fiber Distribution Frame (“FDF”).⁴⁹⁸

⁴⁹⁶ Id., citing Second BellSouth Louisiana Order, 13 FCC Rcd at 20719, 20762, n. 652.

⁴⁹⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 209. VZ-RI’s interconnection agreements include specific rates, terms, and conditions that obligate VZ-RI to provide local transport unbundled from switching or other services. These agreements commit VZ-RI to provide access to both dedicated and shared transport facilities, consistent with FCC requirements. The terms and conditions of these interconnection agreements commit VZ-RI to meet the Act’s Section 271 requirements for providing nondiscriminatory access to local transport. Additionally, Part B, Section 2 of RIPUC RI No. 18 Tariff further obligates VZ-RI to provide local transport to CLECs consistent with the requirements of the Act.

TELRIC-based rates, terms and conditions for VZ-RI’s UNE transport and EEL combinations were approved by the RIPUC in Order No. 16808 (issued December 3, 2001).

⁴⁹⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 212.

VZ-RI stated that the provisioning interval for unbundled DS-1 and DS-3 interoffice transport facilities is based on its experience with private line and special access service. For quantities of 1 to 8 circuits, VZ-RI has established a standard provisioning interval of 15 business days where facilities are available. Intervals for larger quantities and for optical carrier transport facilities (*e.g.*, SONET) are negotiated subject to the availability of facilities and equipment at the requested locations.⁴⁹⁹

VZ-RI indicated that it does not accept an order for interoffice facilities if suitable facilities are not available and there are no facility construction jobs planned to augment the existing interoffice infrastructure. However, in situations where interoffice facilities are not available, but VZ-RI has a construction job planned or underway, rather than reject an order, VZ-RI stated that its practice is to provide the CLEC a due date that includes the estimated construction interval, plus the standard provisioning interval. VZ-RI explained that because of the difficulty of accurately estimating completion times on complex construction jobs that involve very long lead times, this practice sometimes causes VZ-RI to miss a scheduled due date. However, VZ-RI noted that this practice leads to orders being filled rather than rejected, and jobs being completed at the earliest possible date.⁵⁰⁰

Orders for dedicated IOF can be placed on an automated basis using the industry standard ASR. As of year-end 2000, VZ-RI indicated that it was providing 335 dedicated IOF arrangements to three CLECs. VZ-RI noted that this represented a 200% increase over the number of IOF arrangements provided as of year-end 1999.⁵⁰¹ As of the end of July 2001, VZ-RI reported that it was providing 11 different CLECs with a total of 355

⁴⁹⁹ *Id.* at ¶ 217.

⁵⁰⁰ *Id.* at ¶ 218.

IOF transport arrangements.⁵⁰² VZ-RI indicated that it has the requisite processes, systems, and staff in place to continue to provision unbundled transport to CLECs in commercial volumes as additional demand develops.⁵⁰³

For the three-month period ending May 2001, VZ-RI processed eight DS3 IOF orders. VZ-RI's performance in returning order confirmation notices on these orders within 72 hours was 87.5% versus the standard of 95% returned within 72 hours. VZ-RI was late in returning an order confirmation on one order in March, but consistently met the objective in April and May.⁵⁰⁴

VZ-RI noted that its performance in provisioning IOF facilities over the same three-month period was better on the wholesale side than on the retail side. Specifically, the average interval (PR-2-09) for UNE IOF orders was 16 business days and 80% of the orders were completed by the due date (PR-4-01).⁵⁰⁵ By comparison, two DS-3 circuits (the retail equivalent) were completed in an average of 56.5 business days and the due date was missed on both occasions.⁵⁰⁶

B. Shared Transport

VZ-RI indicated that it provides shared transport for use with unbundled local switching using existing switch routing arrangements.⁵⁰⁷ Shared transport is provided under interconnection agreements and in PUC RI No. 18 Tariff, which allow CLECs to use VZ-RI's shared transport at usage-sensitive rates in connection with their provision of

⁵⁰¹ *Id.* at ¶ 219.

⁵⁰² Tr. 10/10/01, pp. 152-53.

⁵⁰³ Verizon RI 271 Filing – Checklist Declaration, ¶ 219.

⁵⁰⁴ *Id.* at ¶ 220. VZ-RI argued that its performance in returning order confirmations on IOF facilities was good over the March through May timeframe considering that the concerns discussed above regarding the OR-1-06 standard apply to IOF facilities as well as high capacity loop facilities. *Id.*, ¶¶ 219-220.

⁵⁰⁵ VZ-RI provided evidence to show that it PR-4-01 in the six months from March through August 2001 in which there was activity for this metric. VZ-RI's Response to Record Request 1, Attachment 5 update, p. 8.

telephone exchange and associated exchange access service. VZ-RI stated that the transmission and routing of calls over the shared network is exactly the same as VZ-RI's routing for its own customers' calls from the originating to the terminating central office.⁵⁰⁸

VZ-RI asserted that it provides shared transport to CLECs in Rhode Island in a nondiscriminatory manner. Specifically, VZ-RI indicated that CLECs can use VZ-RI's shared transport network element for carrying their customers' traffic between VZ-RI's end-office switches, and between VZ-RI's end office and tandem switches. In addition, CLECs can use VZ-RI's shared transport network element to reach other carriers' networks that are interconnected to VZ-RI's network.⁵⁰⁹

VZ-RI indicated that it provides shared transport in conjunction with unbundled local switching. Thus, CLECs that plan to use VZ-RI's shared transport do not need to order it separately when they order individual local switching ports. The UNE switching port is normally configured to use shared transport. Through May 2001, VZ-RI reported that it was providing shared transport in conjunction with routing traffic to and from the more than 4,000 unbundled local switching ports it has provisioned to CLECs as part of the UNE-P combination.⁵¹⁰

C. Dark Fiber

VZ-RI indicated that it makes dark fiber available to CLECs pursuant to the FCC's UNE Remand Order. Dark fiber is available where in-place, spare facilities exist and is provided in pairs (two strands). The electronics to "light" dark fiber are owned

⁵⁰⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 220.

⁵⁰⁷ Shared transport is the use of multiple interoffice transmission paths over non-dedicated facilities.

⁵⁰⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 221.

⁵⁰⁹ *Id.* at ¶ 222.

⁵¹⁰ *Id.* at ¶ 223.

and provided by the CLEC. VZ-RI provides unbundled dark fiber where available for local transport in accordance with the terms and conditions of its interconnection agreements and PUC RI No. 18 Tariff. TELRIC-based rates, terms and conditions for dark fiber were approved by the RIPUC in Order No. 16808 (issued December 3, 2001). VZ-RI represented that it has established methods and procedures to provide CLECs with dark fiber consistent with the requirements prescribed by the FCC in its UNE Remand Order.⁵¹¹ These methods and procedures are similar to those in effect for the provision of dark fiber by VZ-NY.⁵¹² VZ-RI reported that it provisioned seven CLEC orders for dark fiber arrangements in 2000 pursuant to the requirements of the FCC's UNE Remand Order. In January 2001, VZ-RI completed three orders for dark fiber for one CLEC. VZ-RI stated that it met the due date for each of the three orders. There was no dark fiber installation activity between February 2001 and September 2001.⁵¹³

D. Expanded Extended Loops

The FCC's UNE Remand Order, as modified by the Supplemental and Clarification Orders, requires ILECs to provide CLECs with access to existing EEL combinations provided the carrier uses the combination "to provide a significant amount of local exchange service, in addition to exchange access, to a particular customer."⁵¹⁴ On the other hand, a CLEC is restricted from converting its special access services to EEL unless it meets the same provisions. VZ-RI noted that the FCC found that Verizon was in

⁵¹¹ UNE Remand Order, See Supplemental Order, see also Clarification Order.

⁵¹² VZ-RI provided testimony during cross-examination regarding the differences between the provisioning of dark fiber in Rhode Island and in Massachusetts. These differences are addressed in RIPUC findings and in RIPUC Order 16808 (issued December 3, 2001).

⁵¹³ Verizon RI 271 Filing – Checklist Declaration, ¶ 224; Tr. 10/10/01, pp. 159-60.

⁵¹⁴ Id. at ¶ 226; See UNE Remand Order; Supplemental Order. An EEL is an arrangement that enables a CLEC to use combinations of unbundled loops and unbundled dedicated interoffice transport, including multiplexers, to provide a significant amount of local exchange service to an end user in compliance with the FCC's orders. The loop unbundled network element component of an EEL includes two-wire analog

compliance with the FCC's EEL requirements in Massachusetts.⁵¹⁵ VZ-RI further noted that as in Massachusetts, PUC RI No. 18 Tariff includes language concerning the "significant amount of local exchange service" restriction.⁵¹⁶

3. CLEC Comments

Only CTC challenged VZ-RI's compliance with Checklist Item 5. CTC alleged that VZ-RI was provisioning dark fiber in a discriminatory manner. Specifically, CTC argued that VZ-RI does not "provision[] dark fiber unbundled network elements to CLECs in the same manner as it provides to itself and its affiliates."⁵¹⁷ CTC further argued that VZ-RI should be required to provide dark fiber in the same manner as Verizon does in Massachusetts and New Hampshire with regard to splicing, routing and repair.⁵¹⁸ Specifically, CTC argued that VZ-RI should be required to splice dark fiber at any technically feasible point so as to allow dark fiber to be provisioned through intermediate offices where a CLEC is not collocated.⁵¹⁹ CTC further argued that when a CLEC requests existing fiber, VZ-RI, not the CLEC, should be required to upgrade fiber that may have deteriorated since the time of deployment.⁵²⁰

4. RIDPUC Comments

The RIDPUC stated that VZ-RI had shown that it provisions IOF to competing carriers in substantially the same time and manner as it provisions such IOFs to itself, its

and digital loop offerings, four-wire analog loops, four-wire digital 56 kbps loops, and high capacity DS1 and DS3 loops. Verizon RI 271 Filing – Checklist Declaration ¶ 225.

⁵¹⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 226; Massachusetts Order, n. 381.

⁵¹⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 226.

⁵¹⁷ Declaration of CTC Communications Corp., ¶ 19.

⁵¹⁸ Declaration of CTC Communications Corp., ¶¶ 14-19; Brief of CTC Communications Corp., pp. 12-20; Tr. 10/10/01, p. 110.

⁵¹⁹ Tr. 10/10/01, pp. 110-119.

⁵²⁰ Declaration of CTC Communications Corp., ¶ 18.

affiliates and subsidiaries.⁵²¹ The RIDPUC also indicated that CTC's complaints, when viewed in the context of the totality of the circumstances, did not warrant a finding that VZ-RI was not complying with the terms of the Act.⁵²² Accordingly, the RIDPUC recommended that the RIPUC find that VZ-RI had complied with the requirements of Checklist Item 5.

5. VZ-RI's Rebuttal

In response to CTC's allegations, VZ-RI argued that it was not obligated to provide dark fiber in Rhode Island in the same manner as it did in Massachusetts and New Hampshire, but rather, was only obligated to comply with the FCC's UNE Remand Order which was silent on the issue of whether an ILEC is required to splice fiber through intermediate offices where a CLEC is not collocated.⁵²³ VZ-RI also noted that it was providing dark fiber in Rhode Island in the same manner as in New York, Connecticut and Pennsylvania – all states in which the FCC found Verizon to be in compliance with the Checklist requirements.⁵²⁴ VZ-RI noted that the differences in dark fiber offerings in the various states resulted from arbitrations that occurred in Massachusetts and New Hampshire in which the state commissions ordered dark fiber provisioning requirements different from the subsequent FCC UNE Remand Order.⁵²⁵ VZ-RI also argued that CTC's complaint was one better addressed through an arbitration or a complaint, rather than in the context of a Section 271 proceeding. Therefore, VZ-RI argued that because it is complying with the FCC's UNE Remand Order and there was a

⁵²¹ RIDPUC Exhibit 1, Appendix A, p. 5; Tr. 10/11/01, pp. 8-9, 15.

⁵²² Tr. 10/11/01, pp. 8-9, 15; RIDPUC's Reply Brief, 11/9/01, pp.3-4.

⁵²³ Verizon Post-Hearing Brief, pp. 79-82.

⁵²⁴ Id. at 79.

⁵²⁵ Id.

separate docket open before the RIPUC to address CTC's issue, the RIPUC should still find VZ-RI to be in compliance with the requirements of Checklist Item 5.⁵²⁶

6. RIPUC Findings and Recommendation

The RIPUC finds VZ-RI to be in compliance with the requirements of Checklist Item 5. With regard to dedicated transport, we note that as of July 2001, VZ-RI was providing 3 CLECs with a total of 335 dedicated IOF transport arrangements, and was providing 11 CLECs with a total of 355 IOF transport arrangements. As for shared transport, we point out that as of May 2001, VZ-RI reported that it was providing shared transport in conjunction with routing traffic to and from the more than 4,000 unbundled local switching ports it has provisioned to CLECs as part of the UNE-P combination. In relation to dark fiber, VZ-RI provisioned seven CLEC orders for dark fiber arrangements in 2000 and three orders for dark fiber in January 2001.

In the area of metric performance, VZ-RI met the provisioning metric PR-4-01 (% Missed Appointment VZ Total-IOF), in every month there was activity from March through August 2001. VZ-RI's performance during this time was better than VZ-MA's performance from March through July 2000 when it only met this metric three out of the five months.⁵²⁷ We find that VZ-RI has shown it is providing local transport, both dedicated and shared transport, to requesting CLECs in compliance with the Act and with the FCC's mandates.

We have considered CTC's concerns with regard to VZ-RI's dark fiber offering. We agree with the RIDPUC that CTC's allegations are isolated examples of concerns

⁵²⁶ Verizon Post-Hearing Brief, pp. 81-2.

⁵²⁷ Compare VZ-RI 271 Filing-Measurements Declaration, Attachment 5, page 13 to VZ-RI's Response to Record Request 2 (VZ-MA PAP metrics).

raised by a single CLEC and not indicative of non-compliance with Checklist Item 5.⁵²⁸

We note that CTC has not requested dark fiber in Rhode Island. Furthermore, VZ-RI offers dark fiber in the same manner in Rhode Island as in New York; therefore we believe the FCC should find VZ-RI compliant with Checklist Item 5.

In order to address the substantive issues raised by CTC, however, we allowed CTC to intervene late, after the close of the Section 271 hearings, in RIPUC Docket No. 2681.⁵²⁹ Subsequently, in Docket No. 2681, we ordered VZ-RI to adopt substantially the same procedures for its dark fiber offering as exists in Massachusetts by requiring VZ-RI to splice dark fiber at any technically feasible point so as to provision continuous dark fiber through one or more intermediate control offices without requiring the CLEC to be collocated at any of such offices.⁵³⁰ Accordingly, we are confident that CTC's concerns have been adequately addressed and see no reason to find VZ-RI to be non-compliant with Checklist Item 5. We find that Verizon is providing non-discriminatory access to dark fiber and recommend that the FCC find that VZ-RI has complied with the requirements of this checklist item.

F. CHECKLIST ITEM 6 – LOCAL SWITCHING UNBUNDLED FROM TRANSPORT, LOCAL LOOP TRANSMISSION, OR OTHER SERVICES

1. Applicable Law

Section 271(c)(2)(B)(vi) of the Act requires VZ-RI to provide or offer to provide local switching unbundled from transport, local loop transmission, or other services. The FCC has indicated that unbundled local switching includes “line-side and trunk-side

⁵²⁸ See Tr. 10/10/01, pp. 114-16 (noting that VZ-RI has worked with CLECs in regards to dark fiber concerns).

⁵²⁹ RIPUC Order No. 16808 (issued December 3, 2001), pp. 17-19.

⁵³⁰ *Id.*, pp. 22-23.

facilities, plus the features, functions, and capabilities of the switch.”⁵³¹ In addition, “local switching includes all vertical features that the switch is capable of providing, as well as any technically feasible customized routing functions.”⁵³² Furthermore, satisfaction of this checklist item requires that the unbundled local switching provided enable the CLEC “to offer, and bill for, exchange access and the termination of local traffic.”⁵³³

The FCC’s Local Competition Order further requires that, pursuant to Section 251 of the Act, an ILEC must: (a) provide nondiscriminatory access to line-side and trunk-side facilities plus the features, functions, and capabilities of the switch;⁵³⁴ (b) provide nondiscriminatory access to trunk ports on a shared basis, and routing tables resident in the BOC’s switch, as necessary to provide nondiscriminatory access to shared transport facilities;⁵³⁵ and (c) provide nondiscriminatory access to unbundled tandem switching, which includes the facilities connecting trunk distribution frames to the tandem switch and all functions of the switch itself, including those that establish a temporary transmission path between two other switches.⁵³⁶

2. VZ-RI’s Position

A. Nondiscriminatory Access to Local Switching

VZ-RI asserted that it provides CLECs with the same unbundled local switching as the FCC approved for Verizon in Massachusetts and New York. VZ-RI indicated that even the methods, practices and procedures employed by VZ-RI are the same as those

⁵³¹ New York Order, ¶ 343.

⁵³² Id.

⁵³³ Id.

⁵³⁴ 47 C.F.R. §51.319(c)(1)(i); Local Competition Order, ¶ 412.

⁵³⁵ Local Competition Third Reconsideration Order, ¶¶ 25-29.

⁵³⁶ 47 C.F.R. §51.319(c)(2); Local Competition Order, ¶ 425, 426.

used by Verizon in Massachusetts and New York. Therefore, VZ-RI stated that it has satisfied Checklist Item 6.⁵³⁷

VZ-RI noted that its interconnection agreements include specific rates, terms and conditions that require it to provide local switching consistent with the requirements of Section 251 of the Act. These agreements require VZ-RI to provide access to line-side and trunk-side facilities of the local (end office) switch, basic switching functions, trunk ports on a shared basis, tandem switching, vertical switch features, customized routing, and usage information to bill for inter/intraLATA exchange access.⁵³⁸

According to VZ-RI, it offers access to local switching at each of its central offices, and provides a cross-connect between a line port or trunk port and a CLEC's collocation arrangement. VZ-RI also indicated that it offers access to tandem switching at each tandem switch and provides a cross-connect between a trunk port and a CLEC's collocation arrangement.

VZ-RI represented that it offers several types of local switch ports under interconnection agreements or Part B, Section 6 of PUC RI No. 18 Tariff: (1) analog line (for the provision of POTS-type service, PBX or Centrex capabilities); (2) basic rate ISDN ("ISDN-BRI"); (3) Integrated Digital Loop Carrier ("IDLC"); (4) Electronic Key Telephone Port ("EKTP"); (5) Coin Telephone; (6) Public Access Line; and (7) SMDI II.

⁵³⁷ Verizon's Post Hearing Brief, p. 83.

⁵³⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 237. See Checklist Declaration Attachment B. Verizon RI's PUC RI No. 18 Tariff also contains provisions that require VZ-RI to provide tandem and local switching facilities to CLECs pursuant to the requirements of Section 251 of the Act. See PUC RI No. 18 Tariff, Part B, Section 4 for Tandem Switching, and Section 6 for Local Switching. VZ-RI also noted that TELRIC-based rates, terms and conditions for VZ-RI's UNE switching and UNE-P combinations have been established by the RIPUC in Docket No. 2681. Verizon RI 271 Filing – Checklist Declaration, ¶ 238. See also RIPUC Order 16808 (issued December 3, 2001).

VZ-RI also indicated that it makes trunk ports with line treatment, DS1 DID/DOD/PBX and primary rate ISDN (“ISDN-PRI”) available.⁵³⁹

VZ-RI stated that the local switch functions and capabilities resident in a VZ-RI switch are made available with local switching, including those capabilities that VZ-RI uses to provide retail services. VZ-RI indicated that it will provide CLECs with access to the capabilities available in a switch, for the port type requested, on a line-by-line basis.⁵⁴⁰ In addition, according to VZ-RI, shared tandem trunk ports will be provided upon a carrier's request when the traffic is routed through VZ-RI's tandem using VZ-RI's existing trunk groups and routing.⁵⁴¹

VZ-RI represented that local switching may be combined with shared transport to enable CLECs to route their traffic over VZ-RI's network in the same way that VZ-RI routes traffic for its own end users. VZ-RI further represented that it will provide local switching, upon request, using customized routing based on class-of-call.⁵⁴²

VZ-RI indicated that it also provides CLECs with a combination of unbundled network elements known as UNE-P.⁵⁴³ VZ-RI explained that in a UNE-P combination, VZ-RI provides CLECs with a pre-existing or new combination of an unbundled local

⁵³⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 240. According to VZ-RI, descriptions of the major available local switch port offerings are contained in Sections 2.4, 2.5 and 2.7 of Volume III of the CLEC Handbook.

⁵⁴⁰ Verizon RI 271 Filing – Checklist Declaration, ¶ 241. According to VZ-RI, some features are optional, and CLECs can activate them at the time VZ-RI provisions the line port or anytime after initial provisioning. According to VZ-RI, a CLEC may differentiate its service offering(s) by packaging individual switch features differently or by offering a variety of pricing packages; for example, providing Caller ID free-of-charge to all of its end users. VZ-RI has indicated that descriptions of major switch features available on individual line port types are contained in Sections 2.4 and 2.5 of Volume III of the CLEC Handbook.

⁵⁴¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 242. Tandem switching consists of dedicated tandem trunk ports, shared tandem trunk ports, and tandem usage as described in Part B, Section 4 of PUC RI No. 18 Tariff. Dedicated tandem trunk ports consist of DS1 bandwidth capable of supporting 24 voice grade equivalent trunks. These trunk ports include associated signaling and transmission options. *Id.*

⁵⁴² Verizon RI 271 Filing – Checklist Declaration, ¶ 243; Verizon Post-Hearing Brief, p. 84.

loop network element and an unbundled local switching network element. The unbundled local switching element provided within the UNE-P combination offers CLECs access -- as requested by a CLEC via the NDR process described below -- to other unbundled network elements. These elements include Common Transport or Dedicated Transport, Shared Tandem Switching, Signaling Systems and Call-related Databases, E911, and/or Directory Assistance services and Operator Services. Collocation is not required to access local loop and local switch port UNE-P combinations.⁵⁴⁴

VZ-RI represented that it will also combine unbundled local switching with other UNEs or with VZ-RI services, subject to technical feasibility. VZ-RI will also provide common interoffice transport in conjunction with shared trunk ports to CLECs that purchase common interoffice transport. All UNE-P lines currently in service combine these types of UNEs. Collocation is not required, provided that the terminating location is normally accessed in the VZ-RI central office from which CLECs have purchased an unbundled switch line port. VZ-RI indicated that it will also provide dedicated interoffice transport in conjunction with a dedicated trunk port to CLECs that purchase dedicated interoffice transport.⁵⁴⁵

B. Provisioning of unbundled local switching

VZ-RI asserted that it has taken the requisite steps to ensure the commercial availability of local switching to CLECs. VZ-RI explained that provisioning of unbundled local switching on a standalone basis is a two-step process. For new lines, the

⁵⁴³ Verizon RI 271 Filing – Checklist Declaration, ¶ 244. UNE-P enables CLECs to provide residential and business local exchange services, and exchange access service, to their end-users.

⁵⁴⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 244-245. Massachusetts Order, ¶ 119.

first step involves establishing the proper class of service, while the second step involves establishment of the cross-connection between the local switch port and the CLEC's collocation arrangement. For existing lines, the first step involves implementation of the translations needed to change the class of service to that associated with the CLEC's local unbundled switching, while the second step involves moving the existing cross-connection from the local switching port to the CLEC's collocation arrangement. CLECs may order services on behalf of their subscribers through industry standard ordering guidelines via a LSR.⁵⁴⁶

VZ-RI has developed and offers two NDR options to CLECs. Option A provides switch routing that is specific to the individual CLEC, and Option B consists of standardized blocking options and the replication of VZ-RI's routing and dialing plans. The NDR process is a joint CLEC/VZ-RI responsibility.⁵⁴⁷ VZ-RI has indicated that it uses the same methods, practices and procedures to establish UNE switching translations through the NDR process as are used by VZ-MA and approved by the FCC.⁵⁴⁸

With Option A, VZ-RI develops customized Office Dialing Plans ("ODPs") and Line Class Codes ("LCC") to meet a CLEC's specific requirements for routing instructions, default features, and the creation of appropriate billing and usage records. CLECs can use VZ-RI-provided Operator Services/Directory Assistance ("OS/DA"), they can provide their own, or they can use a third-party's OS/DA services. Option A is

⁵⁴⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 246. These include shared or dedicated interoffice transport, shared tandem switching, SS7 signaling and access to E911. Operator Services and Directory Assistance service are available on an optional basis.Id.

⁵⁴⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 247.

⁵⁴⁷ Id. at ¶ 248. The terms and conditions applicable to the NDR process are included in the CLEC Handbook (Vol. 1, Section 6.4.2). The NDR process was reviewed by KPMG in the Massachusetts review and passed every test criteria. See KPMG MA Report, pp. 583-591.

⁵⁴⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 248. See Massachusetts Order, ¶ 222.

defined by CLECs, thus offering them the flexibility to customize routing and blocking and to modify the ODP without affecting other CLECs or VZ-RI.⁵⁴⁹

VZ-RI also offers a “standardized” UNE Switching configuration called Option B. The standardized ODPs and LCCs mimic the local call routing and customer features used by VZ-RI itself. Option B affords CLECs the shortest interval to obtain a ubiquitous switch presence in Rhode Island. Because VZ-RI has pre-built switch functions, the timeframe for completing an NDR for Option B is 45 business days. With Option B, CLECs purchase VZ-RI's OS/DA platform, which includes three branding (announcement) options: (1) Verizon branding; (2) no branding; and (3) a CLEC's own branding. Regardless of the branding option chosen, CLECs can establish their own rates for these services, or they can adopt VZ-RI's retail rate schedule.⁵⁵⁰

Through the beginning of October 2001, 13 CLECs had completed the NDR process. Of these CLECs, three have chosen to use VZ-RI's OS/DA branding, four CLECs are unbranded, and the remaining six CLECs are using their own branding. All of the NDRs were completed within the established 45 business day interval.⁵⁵¹

C. Provisioning of unbundled tandem switching

VZ-RI asserted that it provides tandem switching access to CLECs that use UNE Switching. CLECs that use VZ-RI's UNE Switching do not have to separately request unbundled tandem switching because it is part of unbundled shared transport and can be accessed via every unbundled local switching element.⁵⁵²

⁵⁴⁹ Verizon RI 271 Filing – Checklist Declaration, ¶¶ 249-252.

⁵⁵⁰ *Id.* at ¶¶ 253.

⁵⁵¹ Tr. 10/15/01, p. 88; Verizon RI 271 Filing – Checklist Declaration, ¶ 254.

⁵⁵² Verizon RI 271 Filing – Checklist Declaration, ¶ 255.

Through the beginning of October 2001, VZ-RI had not received any requests for unbundled tandem switching on a standalone basis; however, VZ-RI indicated that it will provide this UNE upon request.⁵⁵³

D. Access to UNE switching

VZ-RI stated that it uses the same personnel, facilities and equipment to provision CLEC orders for local and tandem switching as it does to provision its own retail orders. According to VZ-RI, the only differences between the two provisioning processes are the unique characteristics of unbundled switching elements. That is, CLECs purchasing unbundled local and tandem switching elements are provided with usage recording suitable for billing exchange access charges to IXC's in the same manner that VZ-RI bills IXC's for exchange access service. VZ-RI provides this functionality by suppressing its exchange access billing on the switching elements it provides to CLECs. According to VZ-RI, this approach is the same one used by VZ-MA in its successful Section 271 application to the FCC.⁵⁵⁴

Through May 2001, VZ-RI had provided approximately 4,000 local switching ports on a line-side basis as part of UNE-P combinations that include a UNE loop. By September 2001, VZ-RI reported this number to be 3,975. However, the ratio of residential lines to business lines had increased: business customers now consisted of 3,525 lines rather than 3,600 lines and residential customers were up to 430 from 400.⁵⁵⁵

⁵⁵³ Tr. 10/15/01, p. 88-9; Verizon RI 271 Filing – Checklist Declaration, ¶ 256. This UNE is available through interconnection agreements and the PUC RI No. 18 Tariff. See Checklist Declaration Attachments B and C.

⁵⁵⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 257.

⁵⁵⁵ Id. at ¶ 258; Tr. 10/15/01, pp. 89-90.

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 6.

4. RIDPUC Comments

The RIDPUC noted that "based on our analysis of the FCC's decisions in Massachusetts and New York, it appears as though Verizon in this state has complied with anything that the FCC would require with respect to a 271 application."⁵⁵⁶ The RIDPUC recommended the RIPUC find that VZ-RI had complied with Checklist Item 6.⁵⁵⁷

5. RIPUC Findings and Recommendation

The RIPUC finds VZ-RI to be in compliance with the requirements of Checklist Item 6. We note VZ-RI provides CLECs with the same unbundled local switching as in New York and Massachusetts and provides CLECs with a combination of unbundled network elements known as UNE-P. VZ-RI has shown that between May and October 2001, there were 13 CLECs established to use VZ-RI's UNE switching arrangements and all of the NDRs had been completed within the established 45 business days interval. In addition, VZ-RI had shown through September 2001, that it had provided approximately 3,975 local switching ports on a line-side basis as part of UNE-P combinations that include a UNE loop.

A review of VZ-RI's metric performance for provisioning UNE-P from March through August 2001 was satisfactory. We note that VZ-RI's performance was not as

⁵⁵⁶ Tr. 10/15/01, p. 97.

⁵⁵⁷ RIDPUC's Exhibit 1, Appendix A, p. 6.

superior as VZ-MA's performance from March through July 2000.⁵⁵⁸ However, VZ-RI met three of the four PAP metrics for UNE-P provisioning in a majority of the six months.⁵⁵⁹ The only metric in which VZ-RI had experienced some difficulty was PR-3-09 (% complete within 5 days:1-5 Lines Dispatch), but VZ-MA experienced comparable difficulty meeting this metric in Massachusetts during 2000.⁵⁶⁰ In addition, we determined that VZ-RI's performance in UNE-P provisioning is likely due to the low volume of wholesale orders in Rhode Island which can produce poor results for wholesale performance if there are problems with one or two orders in particularly where there is a high volume of retail orders. For instance, in August 2001, VZ-RI did not satisfy metric PR-3-09 because of problems with only two out of 13 wholesale orders while in comparison there were 625 retail orders.⁵⁶¹ Therefore, we find that VZ-RI provides CLECs with non-discriminatory access to VZ-RI's local switching and recommend the FCC find VZ-RI's local switching to be in compliance with this checklist item.

G. CHECKLIST ITEM 7 – 911/E911, DIRECTORY ASSISTANCE, OPERATOR CALL COMPLETION SERVICES

1. Applicable Law

Section 271(c)(2)(B)(vii) requires VZ-RI to provide “nondiscriminatory access to (I) 911 and E911 services; (II) directory services to allow the other carrier's customers to obtain telephone numbers; and (III) operator call completion services.”⁵⁶²

⁵⁵⁸ Compare Verizon RI 271 Filing-Measurements Declaration, Attachment 5, p. 13 to VZ-RI's Response Record Request No. 2 (VZ-MA's PAP metrics).

⁵⁵⁹ Verizon RI 271 Filing-Measurements Declaration, Attachment 5, p. 9.

⁵⁶⁰ VZ-RI's Response to Record Request No. 2 (VZ-MA PAP metrics for Checklist Item 6).

⁵⁶¹ Tr. 10/15/01, p. 77.

⁵⁶² 47 U.S.C. § 271(c)(2)(B)(vii)

The FCC has previously indicated that access to 911/E911 services must be provided to CLECs on a parity basis, i.e., the database for CLEC customers must be as accurate as that maintained for VZ-RI's retail customers.⁵⁶³ Specifically, VZ-RI must

(a) maintain the 911 database entries for competing LECs with the same accuracy and reliability that it maintains the database entries for its own customers;" and with regard to facilities-based carriers: (b) "provide unbundled access to its 911 database and 911 interconnection, including the provision of dedicated trunks from the requesting carrier's switching facilities to the 911 control office at parity with what the BOC provides to itself."⁵⁶⁴

Operator call completion services include "any automatic or live assistance to a consumer to arrange for the billing or completion, or both, of a telephone call," including busy line verification, emergency interrupt, and operator-assisted directory assistance.⁵⁶⁵ In order to satisfy the requirements of this part of the checklist, VZ-RI must be in compliance with rules implementing § 251(b)(3).⁵⁶⁶ CLECs may provide these services through their own facilities or by reselling VZ-RI's services.⁵⁶⁷ Although the FCC has concluded that the rates for directory assistance and operator services do not have to be based upon forward-looking economic costs, the services must still be provided at rates and conditions that are just and reasonable.⁵⁶⁸

2. VZ-RI's Position

VZ-RI asserted that it meets these checklist requirements by offering CLECs nondiscriminatory access to E911 services, directory assistance services and operator call completion services under tariffs and RIPUC-approved interconnection agreements.⁵⁶⁹

⁵⁶³ New York Order, ¶ 349.

⁵⁶⁴ Ameritech Michigan Order, 12 FCC Rcd at 20679; New York Order, ¶ 350.

⁵⁶⁵ Texas Order, ¶ 346.

⁵⁶⁶ Id.

⁵⁶⁷ Id. at ¶ 347.

⁵⁶⁸ Id. at ¶ 348.

⁵⁶⁹ Verizon RI 271 Filing - Checklist Declaration, ¶ 260.

A. 911/E911 Access

VZ-RI stated that the same options regarding 911/E911 services are available in Rhode Island as in Massachusetts and New York. First, a reseller may resell VZ-RI's retail exchange service. Second, a CLEC purchasing VZ-RI's unbundled local switching may use a VZ-RI-furnished dial tone to provide E911. Third, a CLEC that uses its own switch may interconnect with VZ-RI's network. With these arrangements, CLEC customers are able to dial 911 to reach an emergency-services provider in the same manner as VZ-RI's retail customers.⁵⁷⁰

According to VZ-RI, E911 trunks provided to CLECs by VZ-RI are provisioned, maintained, and repaired on a first-come, first-served basis, using the same facilities, equipment and personnel that VZ-RI uses for the trunks serving its retail customers.⁵⁷¹ VZ-RI stated that it is providing interconnection to CLECs at each of its two E911 tandems. As of May 31, 2001, 11 CLECs had interconnected to VZ-RI's E911 tandems, and VZ-RI had provided over 60 E911 trunks to those CLECs.⁵⁷² By September 2001, this number had increased to 63 E911 trunks to the 11 CLECs.⁵⁷³

CLECs have the ability to input their own customer information into the E911 database with the same error correction process available to VZ-RI for its retail customers.⁵⁷⁴ In fact, CLECs using their own switches are responsible for their own customer information. The information is input and processed on a first-come first-served basis, regardless of whether input by a CLEC or by VZ-RI.⁵⁷⁵ According to VZ-RI, as of May 31, 2001, 11 CLECs were using the electronic interface for entry of

⁵⁷⁰ *Id.* at ¶ 262.

⁵⁷¹ *Id.* at ¶ 265.

⁵⁷² *Id.* at ¶ 266.

⁵⁷³ Verizon Post-Hearing Brief, p. 89.

⁵⁷⁴ Verizon RI 271 Filing - Checklist Declaration, at ¶ 268.

information into the E911 databases and CLECs using their own switches had over 68,900 E911 subscriber listings in Rhode Island.⁵⁷⁶ By September 2001, the 11 CLECs had over 86,860 E911 subscriber listings in Rhode Island.⁵⁷⁷

Calls received at VZ-RI's E911 tandems are routed to the state-run Public Safety Answering Point on a first-come, first-served basis, without regard to service provider. According to VZ-RI, both VZ-RI and CLEC end users use the same dedicated trunks to carry 911 calls from the E911 tandems to the Public Safety Answering Point.⁵⁷⁸

B. Directory Assistance Services

According to VZ-RI, CLECs have the same options for providing directory assistance service to their customers as they do in Massachusetts and New York. First, resellers may resell VZ-RI's retail service. Second, CLECs can purchase VZ-RI's directory assistance service pursuant to interconnection agreements, and VZ-RI will provide directory assistance service directly to CLEC customers. Third, CLECs can establish their own centers to provide directory assistance service to their customers and use VZ-RI's directory assistance database pursuant to interconnection agreements.⁵⁷⁹

As of May 31, 2001, 5 CLECs were purchasing VZ-RI's directory assistance service and interconnecting using approximately 100 dedicated trunk ports and transmission facilities provided by VZ-RI. An additional 35 CLECs and resellers were purchasing VZ-RI's directory assistance service and interconnecting using VZ-RI's

⁵⁷⁵ Id. at ¶¶ 269-74.

⁵⁷⁶ Id. at ¶ 275.

⁵⁷⁷ Verizon Post-Hearing Brief, p. 90.

⁵⁷⁸ Verizon RI 271 Filing - Checklist Declaration, at ¶ 267.

⁵⁷⁹ Id. at ¶ 276.

shared transport.⁵⁸⁰ By August 31, 2001, the number of CLECs and resellers had risen to 42.⁵⁸¹

VZ-RI's directory assistance service is available with the CLEC's own brand, unbranded, or with VZ-RI's brand. As of May 31, 2001, VZ-RI provided carrier-specific branding to 8 CLECs, unbranded service to 5 CLECs, and VZ-RI-branded service to 27 CLECs.⁵⁸² By August 31, 2001, the number of CLECs choosing VZ-RI-branded service had risen to 34.⁵⁸³

VZ-RI also offers Call Connect Service to CLECs purchasing VZ-RI's directory assistance service. A facilities-based CLEC may choose to have these calls completed over its own or VZ-RI's network. As of May 31, 2001, VZ-RI was providing Call Connect Service to 38 CLECs.⁵⁸⁴ This number rose to 45 by August 31, 2001.⁵⁸⁵

CLECs can also enter into a Directory Assistance License Agreement, which makes the contents of the directory assistance database for VZ-RI or all of Verizon available to CLECs in an electronic format for their use in providing local directory assistance services. As of May 31, 2001, VZ-RI was providing access to listings to one CLEC pursuant to the Directory Assistance License Agreement.⁵⁸⁶

⁵⁸⁰ *Id.* at ¶ 277. CLECs that resell VZ-RI's retail services or use VZ-RI's unbundled local switching have the option of purchasing VZ-RI's directory assistance service, or using their own or another carrier's directory assistance centers. As of May 31, 2001, no CLECs were purchasing customized routing from VZ-RI. *Id.* at ¶ 278.

⁵⁸¹ Verizon Post-Hearing Brief, p. 95.

⁵⁸² Verizon RI 271 Filing - Checklist Declaration, ¶ 279.

⁵⁸³ Verizon Post-Hearing Brief, p. 94.

⁵⁸⁴ Verizon RI 271 Filing - Checklist Declaration, ¶ 280.

⁵⁸⁵ Tr. 10/12/01, p. 156.

⁵⁸⁶ Verizon RI 271 Filing - Checklist Declaration, ¶ 282. For CLECs that establish their own DA centers, VZ-RI offers nondiscriminatory access to its directory assistance listings. VZ-RI offers Direct Access to Directory Assistance ("DADA"), a service that provides "read only" access to the listings in VZ-RI's DA database. DADA is offered pursuant to interconnection agreement. As of May 31, 2001, no CLECs were purchasing VZ-RI's DADA service. *Id.* at ¶ 281.

VZ-RI asserted that it provides nondiscriminatory access to its directory assistance services by provisioning, maintaining and repairing directory assistance trunks for CLECs using the same facilities, equipment and personnel that VZ-RI uses for its own directory assistance trunks.⁵⁸⁷

VZ-RI also indicated that directory assistance calls from customers of CLECs that use VZ-RI's directory assistance service are handled on a nondiscriminatory basis. Service performance results for 2001 show an average speed of answer at VZ-RI's centers of 3.47 seconds in March, 3.37 seconds in April and 3.68 seconds in May for VZ-RI retail customers and resellers' customers; and 1.61 seconds in March, 1.42 seconds in April and 1.80 seconds in May for customers of CLECs taking UNE Platform and facilities-based CLECs.⁵⁸⁸ The months of June, July and August 2001 reflected comparable average speeds.⁵⁸⁹

C. Operator Call Completion Services

VZ-RI stated that CLECs in Rhode Island have the same three options for providing operator call completion ("OCC") services as they do in Massachusetts and New York. First, resellers may resell VZ-RI's retail service. Second, CLECs can purchase VZ-RI's operator call completion service pursuant to interconnection agreements, and VZ-RI will provide operator call completion service directly to CLEC customers. Third, CLECs can establish their own centers to provide operator call completion service by interconnecting with VZ-RI's operator call completion platform so

⁵⁸⁷ *Id.* at ¶ 383.

⁵⁸⁸ *Id.* at ¶ 384.

⁵⁸⁹ Verizon Post-Hearing Brief, p. 95.

that the CLEC and VZ-RI can provide busy line verification and line interrupt services to their respective customers.⁵⁹⁰

When purchasing VZ-RI's operator call completion service, CLECs that use their own switches or VZ-RI's unbundled local switching may interconnect directly with VZ-RI's operator call completion platform using their own facilities, dedicated transport facilities, or shared transport facilities purchased from VZ-RI or another carrier. As of May 31, 2001, 5 CLECs were purchasing VZ-RI's operator call completion service and interconnecting using approximately 100 dedicated trunk ports and transmission facilities provided by VZ-RI and 35 CLECs and resellers were purchasing VZ-RI's operator call completion service and interconnecting using VZ-RI's shared transport.⁵⁹¹ As of August 31, 2001, 42 CLECs and resellers were purchasing VZ-RI's operator call completion service.⁵⁹²

VZ-RI's operator call completion service is available with the CLEC's own brand, unbranded, or with VZ-RI's brand. As of May 31, 2001, VZ-RI provided carrier-specific branding to 8 CLECs, unbranded service to 5 CLECs, and VZ-RI-branded service to 27 CLECs.⁵⁹³ As of August 31, 2001, the number of CLECs choosing VZ-RI-branded service had risen to 34.⁵⁹⁴

⁵⁹⁰ *Id.* at ¶ 285. In addition, CLECs providing their own OCC centers can interconnect with VZ-RI's Line Information Data Base ("LIDB") to verify telephone number and other billing information. *Id.* VZ-RI is only able to provide Busy Line Verification ("BLV") and Busy Line Verification with Interrupt ("BLVI") for calls placed to its own end users, or to end users of CLECs that purchase OCC service from VZ-RI or have interconnected with VZ-RI for the purpose of enabling VZ-RI to provide BLV and BLVI. BLV and BLVI are offered pursuant to interconnection agreements. As of May 31, 2001, VZ-RI provided BLV and BLVI to 40 CLECs. *Id.* at ¶ 290.

⁵⁹¹ *Id.* at ¶ 287. CLECs that resell VZ-RI's retail services or use VZ-RI's unbundled local switching have the option of purchasing VZ-RI's operator call completion service, or using their own or another carrier's operator call completion centers. As of May 31, 2001, no CLECs were taking advantage of VZ-RI's offer of customized routing. *Id.* at ¶ 288.

⁵⁹² Tr. 10/12/01, p. 158.

⁵⁹³ Verizon RI 271 Filing - Checklist Declaration. ¶ 289.

⁵⁹⁴ Tr. 10/12/01, p. 116.

VZ-RI asserted that it provides the same operator call completion service to CLECs that it provides to itself and that it provides nondiscriminatory access to its operator call completion services. VZ-RI states that it provisions, maintains, and repairs OCC trunks for CLECs using the same facilities, equipment and personnel in through the same process that VZ-RI uses for its own operator call completion trunks.⁵⁹⁵

Furthermore, VZ-RI indicated that calls from customers of CLECs that use VZ-RI's operator call completion service are handled on a nondiscriminatory basis. Service performance results for 2001 show an average speed of answer at VZ-RI's centers of 2.05 seconds in March, 2.08 seconds in April and 2.35 seconds in May for VZ-RI retail customers and resellers' customers; and 0.18 seconds in March, 0.18 seconds in April and 0.21 seconds in May for customers of CLECs taking UNE Platform and facilities-based CLECs.⁵⁹⁶

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 7.

4. RIDPUC's Position

The RIDPUC noted that VZ-RI stated that it was providing access to 911/E911, directory assistance and operator call services in substantially the same time and manner and at an acceptable level of quality as it was providing to itself, its affiliates and subsidiaries. The RIDPUC indicated that it agreed with VZ-RI's assertions and recommended a finding of compliance with Checklist Item 7 by the RIPUC.⁵⁹⁷

⁵⁹⁵ Id. at ¶ 291.

⁵⁹⁶ Id. at ¶ 292.

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 7. As of September 2001, VZ-RI was providing interconnection to 11 CLECs at each of its two E911 tandems. At that time, VZ-RI had provided 63 trunks to those CLECs. Listings for the 11 CLECs accounted for 85,868 E911 subscriber listings in Rhode Island. Therefore, VZ-RI has provided access to E911 services.

We also note that as of August 31, 2001, 47 CLECs were purchasing directory assistance services, both branded and unbranded. VZ-RI has also shown that CLEC customers using VZ-RI's directory assistance service received service on a better than parity basis.⁵⁹⁸ Finally, VZ-RI has shown that it offers operator call completion services to CLEC customers on a nondiscriminatory basis.⁵⁹⁹ Therefore, we find that VZ-RI provides nondiscriminatory access to 911/E911 services, directory assistance services and operator call completion services and recommend that the FCC find that VZ-RI has complied with the requirements of this checklist item.

H. CHECKLIST ITEM 8 – WHITE PAGES DIRECTORY LISTINGS

1. Applicable Law

Section 271(c)(2)(B)(viii) requires VZ-RI to provide “[w]hite pages directory listings for customers of the other carrier’s telephone exchange service.”⁶⁰⁰ The FCC has indicated that in order to satisfy Checklist Item 8, VZ-RI must satisfy two requirements. First, it must provide listings of CLEC customer information with the same accuracy and reliability as it provides for its own customers. Second, the information related to CLEC

⁵⁹⁷ RIDPUC’s Exhibit 1, Appendix A, p. 7.

⁵⁹⁸ Between June and August 2001, VZ-RI reported that VZ-RI customers’ inquiries were answered in an average of 3.7 seconds while CLEC customers’ inquiries were answered in an average of 1.83 seconds.

⁵⁹⁹ Between June and August 2001, VZ-RI reported that VZ-RI customers’ OCC calls were answered in an average of 2.58 seconds while CLEC customers’ OCC calls were answered in an average of .22 seconds.

customers must appear the same in the white pages directory as the information related to Verizon customers.⁶⁰¹

2. VZ-RI's Position

VZ-RI asserted that it provides nondiscriminatory access to directory listings in accordance with the Act and FCC rules.⁶⁰² VZ-RI stated that it provides for the nondiscriminatory appearance of White Pages directory listings for CLEC customers. In addition, CLEC business customers are entitled to a basic Yellow Page listing at no charge. According to VZ-RI, the listing service order data for VZ-RI, CLEC and reseller customers are processed in the same manner, regardless of the origin. The rates charged are consistent with those filed in VZ-RI's resale tariff, PUC RI No. 22 and RIPUC-approved interconnection agreements. Furthermore, CLECs can advertise in the introductory pages of the White Pages, free of charge, under the section entitled "Local Telephone Service Providers." As of May 31, 2001, VZ-RI calculated it had provided 54,202 CLEC and reseller customer listings in the VZ-RI White Pages.⁶⁰³

In addition, VZ-RI indicated it has a verification system in place allowing CLECs the same opportunity to verify the accuracy of their customers' listings prior to publication in the White and/or Yellow Page Directories as VZ-RI has for its customers. From January 1, 2000 through June 30, 2001, Verizon issued 3,048 Listing Verification Reports to CLECs in New England. Furthermore, during the twelve months prior to the filing of its Checklist Declarations and through October 2001, VZ-RI had not received

⁶⁰⁰ 47 U.S.C. § 271(c)(2)(B)(viii).

⁶⁰¹ New York Order, ¶¶ 358-59.

⁶⁰² Verizon RI 271 Filing – Checklist Declaration, ¶ 294. According to VZ-RI, publishing responsibility for White Page and Yellow Page directory is held by Verizon Yellow Pages Company, an indirect wholly-owned subsidiary of Verizon Communications, Inc. *Id.* at ¶ 297.

⁶⁰³ *Id.* at ¶¶ 294-96, 298-99.

any complaints from CLECs regarding the accuracy of their Rhode Island directory listings.⁶⁰⁴

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 8.

4. RIDPUC's Position

The RIDPUC noted that VZ-RI's assertions indicated that VZ-RI grants competing carriers access to White Pages listings in substantially the same time and manner as it provisions such arrangements to itself, its affiliates and subsidiaries. The RIDPUC recommended that the RIPUC find that VZ-RI is in compliance with Checklist Item 8.⁶⁰⁵

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 8. We note that as of August 31, 2001, VZ-RI's White Pages database for Rhode Island contained 61,660 listings for CLEC and resellers' customers. Moreover, during the last year, VZ-RI did not received any complaints from CLECs regarding the accuracy of their customers' listings in the Rhode Island directory. Therefore, we find that VZ-RI provides White Page directory listings to CLEC customers in an accurate manner and provides nondiscriminatory access to directory listings by CLECs and resellers. We recommend the FCC find VZ-RI to be in compliance with this checklist item.

⁶⁰⁴ *Id.* at ¶¶ 300-05.

⁶⁰⁵ RIDPUC Exhibit 1, Appendix A, p. 8.

I. CHECKLIST ITEM 9 – ACCESS TO TELEPHONE NUMBERS

1. Applicable Law

Section 271(c)(2)(B)(ix) of the Act requires VZ-RI to provide “nondiscriminatory access to telephone numbers for assignment to other carriers’ customers until the date that numbering administration guidelines, plan or rules are established.”⁶⁰⁶

In 1998, the FCC designated NeuStar, Inc. (“NeuStar”) as the North American Numbering Plan Administrator. NeuStar has the responsibility of assigning blocks of telephone numbers (“NXX codes”) to ILECs and CLECs within each area code, and for coordinating area code planning efforts, in cases of anticipated area code exhaustion, with state commissions.⁶⁰⁷ Therefore, VZ-RI “must demonstrate that it adheres to industry numbering administration guidelines and Commission rules, including provisions requiring the accurate reporting of data to the code administrator.”⁶⁰⁸

2. VZ-RI’s Position

VZ-RI represented that it has transferred its responsibility for assigning NXX codes to NeuStar. VZ-RI also asserted that it adheres in a timely and accurate manner to all industry numbering administration guidelines and FCC rules, including provisions requiring the accurate reporting of data to the code administrator NeuStar.⁶⁰⁹ Finally, VZ-RI noted that as of May 31, 2001, approximately 255 NXX codes had been assigned to CLECs in Rhode Island. As a result of these assignments, approximately 2,550,000 individual telephone numbers are available to CLECs in Rhode Island.⁶¹⁰

⁶⁰⁶ 47 U.S.C. § 271(c)(2)(B)(ix).

⁶⁰⁷ New York Order, ¶ 363.

⁶⁰⁸ Id.

⁶⁰⁹ Verizon RI 271 Filing – Checklist Declaration, ¶¶ 313, 315.

⁶¹⁰ Id. at ¶ 314.

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 9.

4. RIDPUC's Position

The RIDPUC noted that VZ-RI had transferred numbering administration to an independent third party. Thus, the RIDPUC determined that CLECs had access to NXX codes in substantially the same manner and time as VZ-RI. The RIDPUC recommended a finding of compliance with Checklist Item 9.

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 9. VZ-RI has shown that it has transferred its responsibility for assignment of telephone numbers to NeuStar. Therefore, telephone numbers are assigned to VZ-RI and CLECs in the same manner and approximately 2.5 million individual telephone numbers are available to CLECs in Rhode Island. We recommend the FCC find VZ-RI to be in compliance with the requirements of this checklist item.

J. CHECKLIST ITEM 10 – DATABASES AND SIGNALING

1. Applicable Law

Section 271(c)(2)(B)(x) requires VZ-RI provide “[n]ondiscriminatory access to databases and associated signaling necessary for call routing and completion.”⁶¹¹ The FCC has previously required a BOC to prove that it was providing requesting carriers with non-discriminatory access to: “(1) signaling networks, including signaling links and signaling transfer points; (2) certain call-related databases necessary for call routing and completion, or in the alternative, a means of physical access to the signaling transfer

point linked to the unbundled database; (3) Service Management Systems (“SMS”); (4) and to design, create, test and deploy Advanced Intelligent Network (“AIN”) based services at the SMS through a Service Creation Environment.”⁶¹² Furthermore, the FCC has implemented rules that require that an incumbent LEC provide access to the following databases: Line Information database (“LIDB”), Toll Free Calling database, downstream number portability databases, and AIN database.⁶¹³

2. VZ-RI’s Position

It is VZ-RI’s position that it has a proven track record of providing non-discriminatory access to its call-related databases and the associated signaling necessary for call routing and completion. This track record is based on decades of transactions between VZ-RI and long-distance carriers. VZ-RI has indicated that there are no technical differences between the practices of processing queries and exchanging messages with long-distance carriers and processing queries and exchanging messages for CLECs. In addition, VZ-RI relied on the assertion that it uses the same signaling networks, call-related databases, and service management systems for Rhode Island as it does for Massachusetts, where both the DTE and the FCC found that Verizon met the requirements of this checklist item.⁶¹⁴

A. Signaling

VZ-RI has stated that it provides CLECs access to its signaling links and signaling transfer points (“STPs”) on an unbundled basis.⁶¹⁵ According to VZ-RI, the access arrangements allow a CLEC to utilize VZ-RI’s Common Channel Signaling

⁶¹¹ 47 U.S.C. § 271(c)(2)(B)(x).

⁶¹² Second BellSouth Louisiana Order, 13 FCC Rcd at 20755-56.

⁶¹³ 47 C.F.R. § 51.319(e).

⁶¹⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 322; *See* Verizon Post-Hearing Brief, p. 102.

⁶¹⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 323.

System No. 7 (“SS7”) network, either on a shared or a dedicated basis, for signaling between its own switches, between its own switches and VZ-RI’s switches, and between its own switches and the networks of parties connected to VZ-RI’s SS7 network.⁶¹⁶ Access to VZ-RI’s SS7 network is provided through a signaling link between the carrier’s switches and a VZ-RI STP, or between the carrier’s STP and VZ-RI STP. VZ-RI has indicated that the same facilities, equipment, and personnel are used to provision signaling links for CLECs and itself. According to VZ-RI, all signaling traffic on VZ-RI’s network is commingled and is queued and routed on a non-discriminatory basis.⁶¹⁷

A CLEC can order an unbundled signaling link between its switch and the VZ-RI STP and VZ-RI indicated that it provides access to its signaling network in the same manner that it provides access to itself. In fact, VZ-RI asserted that there is no operational distinction between a call originated from a VZ-RI customer and a call originated from a customer of a CLEC that has purchased unbundled local switching because VZ-RI uses the same facilities, equipment, and personnel to provide signaling links for CLECs and for itself.⁶¹⁸

VZ-RI noted that as of September 30, 2001, it was providing two CLECs in Rhode Island with access to its signaling network through its federal access tariff offering. No CLECs had requested unbundled access to VZ-RI signaling network. However, VZ-RI stated that it is prepared to provide such unbundled access.⁶¹⁹

⁶¹⁶ Id.

⁶¹⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 324.

⁶¹⁸ Id. at ¶ 327.

⁶¹⁹ Id. at ¶ 328; VZ-RI’s Response to Record Request No. 28.

B. Call-Related Databases

VZ-RI also asserted that it provides competing carriers with access to “call-related databases,” or service control points (“SCPs”), which are used in the signaling networks for transmission, routing, billing, and collection.⁶²⁰ These databases also provide the translation and routing data needed to deliver advanced network services. Verizon currently has four call-related databases: (1) LIDB, which provides access to the Calling Name Information Database (“CNAM”); (2) Toll Free Database (e.g., 800/888/877/866); (3) Local Number Portability Database (“LNP”), and (4) AIN. Each of these four call-related databases is available to CLECs on an unbundled basis.⁶²¹

According to VZ-RI, a CLEC purchasing unbundled local switching can use VZ-RI’s call-related databases in the same manner, and through the same type of signaling links, as VZ-RI. A requesting carrier that has deployed its own switch and linked that switch to VZ-RI’s signaling system, gains access to VZ-RI’s SCPs through an STP. This arrangement allows the CLEC to provide call-related, database-supported services to its end-user customers.⁶²²

VZ-RI pointed out that use of its call-related databases is extensive. For instance, VZ-RI indicated that during the year 2000, Verizon processed 60.5 million billing verification queries of its LIDB for other carriers throughout New England, and in the first seven months of this year, it processed approximately 25.8 million queries.⁶²³ VZ-RI noted that other carriers also make extensive usage of Verizon’s Toll Free Database in that Verizon processed more than 6.8 billion Toll Free Database queries throughout the

⁶²⁰ Verizon RI 271 Filing – Checklist Declaration, ¶ 330.

⁶²¹ *Id.* at ¶ 330.

⁶²² *Id.* at ¶ 331.

⁶²³ Tr. 10/12/01, p. 170; Verizon RI 271 Filing – Checklist Declaration, ¶ 338.

former Bell Atlantic North territory (New York and New England) during the year 2000, of which 231.6 million queries were for Rhode Island. VZ-RI indicated that from January 1, 2001 through September 30, 2001, Verizon processed 5.1 billion queries in New York and New England combined, of which 159.8 million were for Rhode Island.⁶²⁴

C. Service Management Systems

VZ-RI stated that it provides competing carriers with access to its SMS, which enables competitors to enter, modify, or delete entries for their own customers in VZ-RI's other databases. VZ-RI also indicated that it provides CLECs with access to the SMS associated with each of the three call-related databases noted above and gives carriers the information necessary to enter information into VZ-RI's SMS.⁶²⁵

VZ-RI noted that because the SMS for the Toll Free Database is administered by a neutral third party, all carriers, VZ-RI and CLECs alike, obtain access in the same way. VZ-RI stated that it provides access to the SMS associated with the AIN database through the service creation environment, scheduled on a case-by-case basis. The SS7 interconnection intervals, as well as the intervals for access to LIDB, Toll Free Database, LNP database, and AIN, are negotiated.⁶²⁶

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 10.

4. RIDPUC's Position

The RIDPUC noted that VZ-RI stated that it was providing access to its signaling networks to competing carriers in substantially the same time and manner and at an

⁶²⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 346; Tr. 10/12/01, p. 170-71.

⁶²⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 362.

⁶²⁶ Id. at ¶¶ 363-65.

acceptable level of quality as it was providing to itself, its affiliates and subsidiaries. The RIDPUC indicated that it agreed with VZ-RI's assertions and recommended a finding of compliance with Checklist Item 10 by the RIPUC.⁶²⁷

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 10. As of May 2001, two CLECs were accessing VZ-RI's signaling network. As of July 2001, VZ-RI had processed 25.8 million billing verification queries. From January through June 2001, Verizon had processed approximately 138.4 million queries to its CNAM for other carriers throughout New England, without any complaints from CLECs in Rhode Island.

From January 1 through September 30, 2001, Verizon processed 159.8 million Toll Free Database queries for Rhode Island. VZ-RI processes CNAM and Toll Free Database queries in the same way for CLECs and VZ-RI. In addition, VZ-RI provides nondiscriminatory access to its LNP database. As of September 2001, one CLEC uses VZ-RI's LNP database. Finally, access to VZ-RI's SMS is provided to CLECs on a nondiscriminatory basis, as it is administered by a neutral third party to all carriers, including VZ-RI. Therefore, based on the evidence before us, we find that VZ-RI provides nondiscriminatory access to its databases and associated signaling necessary for call routing and completion, and we recommend the FCC find VZ-RI to be in compliance with the requirements of this checklist item.

⁶²⁷ RIDPUC's Exhibit 1, Appendix A, pp. 9-10.

K. CHECKLIST ITEM 11 – LOCAL NUMBER PORTABILITY

1. Applicable Law

Section 271 (c)(2)(B)(xi) of the Act requires VZ-RI to be in compliance with the number portability regulations adopted by the FCC pursuant to section 251 of the Act. Specifically, section 251(b)(2) requires all LECs “to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the [FCC].”⁶²⁸ Section 251(e)(2) requires that “[t]he cost of establishing telecommunications numbering administration arrangements and number portability shall be borne by all telecommunications carriers on a competitively neutral basis as determined by the [FCC].”⁶²⁹

In reviewing VZ-NY’s Section 271 application, the FCC reiterated specific requirements associated with providing number portability, including the requirements that LECs offer interim number portability “to the extent technically feasible” and gradually replace interim number portability with permanent number portability. The FCC also noted that it has established guidelines for states to follow in mandating a competitively neutral cost-recovery mechanism for interim number portability.⁶³⁰

2. VZ-RI’s Position

VZ-RI argued that it meets this checklist item by offering local number portability (“LNP”) throughout Rhode Island in the same manner as LNP is provided by Verizon in Massachusetts and New York. LNP arrangements, provided through interconnection

⁶²⁸ 47 U.S.C. § 271(b)(2).

⁶²⁹ 47 U.S.C. § 271(e)(2).

⁶³⁰ New York Order, ¶ 368.

agreements, allow CLECs to serve end users formerly served by VZ-RI, without requiring those end users to change their existing telephone numbers.⁶³¹

VZ-RI reported that as of May 31, 2001, that it was porting approximately 49,600 telephone numbers using LNP arrangements for 10 CLECs.⁶³² This number increased to 63,400 by August 2001.⁶³³ VZ-RI also reported that it was provisioning LNP on a timely basis. In each month from March through August 2001, VZ-RI met the due date on 98.95% to 99.92% of “LNP Only” orders.⁶³⁴

VZ-RI noted that it continues to provide interim number portability where the arrangement is already in place. However, because VZ-RI has deployed LNP in all of its switches, VZ-RI is no longer accepting new orders for interim number portability arrangements.⁶³⁵

3. CLEC Comments

No CLEC filed any declarations or made comments at the hearings disputing VZ-RI’s performance in providing the required access under Checklist Item 11.

4. RIDPUC Comments

The RIDPUC noted that as of May 2001, VZ-RI ported approximately 49,600 telephone numbers for 10 competing carriers. Furthermore, the RIDPUC noted that VZ-

⁶³¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 367.

⁶³² *Id.* at ¶ 368.

⁶³³ Tr. 10/12/01, p. 176.

⁶³⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 368; Tr. 10/12/01, p. 176. LNP Only orders are orders for number portability that are not associated with the purchase of UNE loops. An LNP Only order would be used by a CLEC that provides not only its own switching, but also its own loop to the end-user premises (such as a cable company or other full facilities-based CLEC) to move the end-user’s service to the CLEC’s switch without requiring the end user to change its number. The provision of LNP in connection with the “hot cut” of an existing VZ-RI end-user’s loop from VZ-RI service to CLEC service as a UNE loop is discussed with UNE loops in Checklist Item 4. Verizon RI 271 Filing – Checklist Declaration, ¶ 368.

⁶³⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 369. VZ-RI provided testimony that it is still providing interim number portability pursuant to an interconnection agreement on approximately 300 telephone numbers for one CLEC. The one remaining CLEC with existing interim arrangements will be

RI stated that it provisions LNP in a timely matter that allows CLECs a meaningful opportunity to compete. Finally, the RIDPUC indicated that it agreed with VZ-RI's assertions and recommended a finding of compliance with Checklist Item 11 by the RIPUC.⁶³⁶

5. RIPUC Findings and Recommendation

We find that VZ-RI has shown it is in compliance with the requirements of Checklist Item 11. Section 153 (30) of the Act defines number portability as “the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.”⁶³⁷ VZ-RI has shown that as of August 31, 2001, VZ-RI was porting approximately 63,400 telephone numbers using LNP arrangements for 11 CLECs. VZ-RI has also shown that it has met its provisioning deadlines over the course of 2001 over 98.95% of the time. Accordingly, VZ-RI has met the PAP metric PR-4-07 every month from March through August 2001. Therefore, we find that VZ-RI is providing local number portability in compliance with the requirements of the Act and FCC regulations. We recommend the FCC find that VZ-RI is in compliance with the requirements of this checklist item.

L. CHECKLIST ITEM 12 – LOCAL DIALING PARITY

1. Applicable Law

Section 271(c)(2)(B)(xii) of the Act requires VZ-RI to provide “nondiscriminatory access to such services or information as are necessary to allow the requesting carrier to

transitioned when VZ-RI receives a commitment from the CLEC regarding timeframes to complete the transition. Id.; Tr. 10/12/01, pp. 177-78.

⁶³⁶ RIDPUC's Exhibit 1, Appendix A, p. 10-11.

⁶³⁷ 47 U.S.C. § 271(c)(2)(B)(xi). See also, 47 C.F.R. § 52.21 (k).

implement local dialing parity in accordance with the requirements of Section 251(b)(3)” of the Act.⁶³⁸

“Dialing parity” is defined in the Act to mean that a CLEC that is not an affiliate of a local exchange carrier is able to provide telecommunications services in such a manner that customers have the ability to route automatically, without the use of any access code, their telecommunications to the telecommunications services provider of the customer’s designation from among 2 or more telecommunications services providers (including such local exchange carrier).⁶³⁹

With regard to local dialing parity, Section 251(b)(3) requires VZ-RI “to provide dialing parity to competing providers of telephone exchange service and . . . to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays.”⁶⁴⁰

2. VZ-RI’s Position

VZ-RI asserted that it meets this checklist item by providing local dialing parity to CLECs that either purchase unbundled local switching from VZ-RI or resell VZ-RI’s retail service. In addition, VZ-RI stated that it provides access to the information and arrangements necessary for CLECs with their own switches to implement local dialing parity. VZ-RI relied on the assertion that its processes are the same as those in place in Massachusetts and New York.⁶⁴¹ There is no additional charge for this service.⁶⁴²

Local dialing parity allows CLEC customers to make local calls to the following, without dialing any extra digits or access codes, and without any unreasonable dialing delays: (1) a VZ-RI customer; (2) another customer served by the same CLEC or by another CLEC interconnected with VZ-RI; (3) directory assistance services; and (4)

⁶³⁸ 47 U.S.C. § 271(c)(2)(B)(xii).

⁶³⁹ 47 U.S.C. § 153(39).

⁶⁴⁰ 47 U.S.C. § 251(b)(3).

⁶⁴¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 371.

⁶⁴² *Id.* at ¶ 374.

operator call completion services. Local dialing parity also allows VZ-RI customers to make local calls to CLEC customers without dialing extra digits or access codes, and without any unreasonable dialing delays.⁶⁴³

VZ-RI stated that customers of CLECs, making local calls, are not required to dial more digits than a VZ-RI end user to complete a similar call, unless such a requirement is imposed by the CLEC. In addition, VZ-RI asserted that CLEC's local service customers do not experience post-dialing delay, call completion rate, or transmission quality that is inferior to that experienced by end users of VZ-RI. VZ-RI's network does not distinguish between comparable calls by end users of VZ-RI and resellers, or between comparable calls that originate on VZ-RI's network and the network of a CLEC. Once a local call passes from a CLEC's network to VZ-RI's network, it is from that point on treated the same as a similarly-routed call originating from any other service provider's network, including VZ-RI's.⁶⁴⁴

VZ-RI stated that from January through May 2001, it exchanged approximately 1.4 billion minutes of traffic with CLECs over local interconnection trunks on calls completed with dialing parity. According to VZ-RI, this number increased to 1.9 billion minutes by July 31, 2001. VZ-RI maintained that all of the local calls handled under these arrangements were completed with local dialing parity.⁶⁴⁵

3. CLEC Comments

No CLEC filed any declarations or made any comments at the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 12.

⁶⁴³ Id. at ¶ 373.

⁶⁴⁴ Id. at ¶ 372.

⁶⁴⁵ Id. at ¶ 375.

4. RIDPUC Comments

The RIDPUC noted that between January and May 2001, VZ-RI reported an exchange of 1.4 billion minutes of traffic over local interconnection trunks. The RIDPUC indicated that VZ-RI demonstrated that it was providing competing carriers with local dialing parity and recommended a finding of compliance with Checklist Item 12 by the RIPUC.⁶⁴⁶

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 12. VZ-RI has shown that CLEC customers do not have to dial more digits to complete a call than a VZ-RI customer would have to dial to complete the same call. This service is provided at no additional charge to a CLEC or its customers. VZ-RI has reported an exchange of approximately 1.9 billion minutes of traffic with CLECs over local interconnection trunks from January through July 31, 2001. The evidence shows that VZ-RI is providing nondiscriminatory access for competing carriers to provide local dialing parity in compliance with the Act. Accordingly, we recommend the FCC find VZ-RI to be in compliance with the requirements of this checklist item.

M. CHECKLIST ITEM 13 – RECIPROCAL COMPENSATION

1. Applicable Law

Section 271(c)(2)(B)(xiii) of the Act requires that VZ-RI's access and interconnection arrangements with CLECs provide for "[r]eciprocal compensation in accordance with the requirements of Section 252(d)(2)."⁶⁴⁷ Section 252(d)(2) addresses the issue of just and reasonable pricing standards for reciprocal compensation, stating:

⁶⁴⁶ RIDPUC's Exhibit 1, Appendix A, p. 11.

⁶⁴⁷ 47 U.S.C. § 271(c)(2)(B)(xiii).

...a State commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless (i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier; and (ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls.⁶⁴⁸

On April 27, 2001, the FCC issued order FCC 01-131, Order on Remand and Report and Order (“Reciprocal Compensation Order”). In the Reciprocal Compensation Order, the FCC concluded that “Congress, through section [47 U.S.C. § 251(g)], expressly limited the reach of section 251(b) to exclude ISP-bound traffic.”⁶⁴⁹ Therefore, the FCC held that “ISP-bound traffic is not subject to the reciprocal compensation obligations of section 251(b)(5).”⁶⁵⁰ In the same Order, the FCC indicating that a ratio exceeding 3:1 of terminating to originating traffic constituted a rebuttable presumption that the excess is ISP-bound traffic not subject to reciprocal compensation.⁶⁵¹ Furthermore, the FCC outlined an interim intercarrier compensation scheme to be used until the FCC has resolved issues raised in CC Docket No. 01-92 (Developing a Unified Compensation Regime, Notice of Proposed Rulemaking).⁶⁵² Finally, the FCC noted that “because [the FCC was now exercising its] authority under section 201 to determine the appropriate intercarrier compensation for ISP-bound traffic...state commissions will no longer have authority to address this issue.”⁶⁵³

⁶⁴⁸ 47 U.S.C. § 252(d)(2)(A).

⁶⁴⁹ In re Implementation of the Local Competition Provisions of the Telecommunications Act of 1996: Intercarrier Compensation for ISP-Bound Traffic, Order on Remand and Report and Order, FCC 01-131, ¶ 3, CC Docket Nos. 96-98, 99-68 (rel. April 27, 2001) (“Reciprocal Compensation Order”).

⁶⁵⁰ Id.

⁶⁵¹ Id. at ¶ 79.

⁶⁵² Id. at ¶¶ 77-82. This compensation scheme was set up to go into effect if an interconnection agreement contained a change of law provision or upon negotiation of expired agreements. Id.

⁶⁵³ Id. at ¶ 82.

2. VZ-RI's Position

VZ-RI asserted that it satisfies the requirements for this checklist item in Rhode Island in the same manner as it does in Massachusetts and New York. VZ-RI pointed out that it offers reciprocal compensation arrangements through its interconnection agreements with other carriers, including Commercial Mobile Radio Service ("CMRS") providers. Presently in Rhode Island, VZ-RI reports being a party to reciprocal compensation agreements with 53 facilities-based carriers, 6 cellular services providers, and 6 paging carriers.⁶⁵⁴ As of October 12, 2001, VZ-RI reported paying reciprocal compensation to 13 CLECs, 6 broadband CMRS providers, and 6 paging companies, pursuant to approved interconnection agreements.⁶⁵⁵

VZ-RI stated that it has complied with all rulings of the RIPUC that have addressed the reciprocal compensation terms of interconnection agreements.⁶⁵⁶ In addition, VZ-RI indicated that it has implemented provisions of the FCC's Reciprocal Compensation Order.⁶⁵⁷ To the extent that VZ-RI is exchanging Internet-bound traffic and traffic properly subject to reciprocal compensation under the Act, VZ-RI asserted that it will apply the presumption that any such traffic that exceeds a 3:1 ratio of terminating to originating is internet-bound traffic not subject to reciprocal compensation.⁶⁵⁸

Therefore, for all of these reasons, VZ-RI argued that the RIPUC should find that VZ-RI had satisfied Checklist Item 13.

⁶⁵⁴ Verizon RI 271 Filing – Checklist Declaration, ¶ 378; Tr. 10/12/01, p. 149.

⁶⁵⁵ Verizon RI 271 Filing – Checklist Declaration, ¶ 380; Tr. 10/12/01, p. 179.

⁶⁵⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 379.

⁶⁵⁷ Id. See Reciprocal Compensation Order.

⁶⁵⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 379; Tr. 10/12/01, pp. 180-83.

3. CLEC Comments

No CLEC filed declarations or made comments in the hearings disputing VZ-RI's performance in providing the required access under Checklist Item 13.

4. RIDPUC Comments

The RIDPUC noted that VZ-RI presumed that traffic exceeding a 3:1 terminating to original ratio is ISP-bound traffic and, as such, is not subject to reciprocal compensation. The RIDPUC agreed with the assertions of VZ-RI and recommended approval of Checklist Item 13.⁶⁵⁹

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 13. VZ-RI has indicated that it is paying reciprocal compensation to 53 CLECs, 6 broadband providers and 6 paging companies. VZ-RI has shown that it is applying a 3:1 ratio of terminating to originating traffic in order to identify that traffic which is ISP-bound in nature. In addition, no CLEC challenged VZ-RI's compliance with either this checklist item or the FCC's Reciprocal Compensation Order. Therefore, we recommend the FCC find VZ-RI to be in compliance with the requirements of this checklist item.

N. CHECKLIST ITEM 14 – RESALE

1. Applicable Law

Section 271 (c)(2)(B)(xiv) of the Act requires VZ-RI to make “telecommunications services available for resale in accordance with the requirements of sections 251(c)(4) and 252(d)(3).”⁶⁶⁰ According to Section 251(c)(4)(A), ILECs are required “to offer for resale at wholesale rates any telecommunications service that the

⁶⁵⁹ RIDPUC Exhibit 1, Appendix A, pp. 11-12.

⁶⁶⁰ 47 U.S.C. § 271(c)(2)(B)(xiv).

carrier provides at retail to subscribers who are not telecommunications carriers.”⁶⁶¹ Section 251(c)(4)(B) prohibits the imposition of any unreasonable or discriminatory conditions or limitations on resale “except that a State commission may, consistent with regulations prescribed by the Commission under this section, prohibit a reseller that obtains at wholesale rates a telecommunications service that is available at retail only to a category of subscribers from offering such service to a different category of subscribers.”⁶⁶²

Section 252(d)(3) states that “[f]or purposes of section 251(c)(4), a State commission shall determine wholesale rates on the basis of retail rates charged to subscribers for the telecommunication service requested, excluding a portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier.”⁶⁶³ The VZ-RI resale and retail tariff primarily involved is PUC RI No. 22.

2. VZ-RI’s Position

It is VZ-RI’s position that the FCC found that Verizon satisfied the requirements of this checklist item in Massachusetts and New York, and likewise satisfies the requirements in Rhode Island.

A. Resold Services Generally

VZ-RI asserted that it makes its retail telecommunications services available for resale in Rhode Island pursuant to interconnection agreements and its Resale Tariff, PUC RI No. 22, and that it offers for resale, at wholesale rates, all of the telecommunications services that VZ-RI provides at retail to subscribers that are not telecommunications

⁶⁶¹ 47 U.S.C. § 251(c)(4)(A).

⁶⁶² 47 U.S.C. § 251(c)(4)(B).

carriers.⁶⁶⁴ The terms and conditions of VZ-RI's Resale Tariff were approved by the RIPUC in Docket No. 2518.⁶⁶⁵ Among the terms are the wholesale discounts from retail rates set by the RIPUC. The discounts are 17.87% from retail residential rates and 14.26% from retail business rates if VZ-RI provides operator and directory assistance services.⁶⁶⁶ If the reseller elects to provide its own operator and directory assistance services, the wholesale discounts from retail rates are 18.82% for residence and 16.38% for business.⁶⁶⁷

VZ-RI also stated that it plans to make DSL available for resale over resold voice lines in Rhode Island. According to VZ-RI, the service would be made available through a federal tariff that VZ-RI expected to file in early November. According to VZ-RI, the terms and conditions for this service in Rhode Island will be the same as those offered in Connecticut and Pennsylvania except that the Rhode Island offering will not be subject to any cap on the number of orders VZ-RI will commit to process each day.⁶⁶⁸

⁶⁶³ 47 U.S.C. § 252(d)(3).

⁶⁶⁴ Verizon RI 271 Filing – Checklist Declaration, ¶¶ 383, 384. As of June 1, 2001, the RIPUC approved 37 resale-only agreements and 106 full interconnection agreements, 97 of which were still in effect and which include resale provisions. VZ-RI's Response to Record Request No. 15.

⁶⁶⁵ See RIPUC Report and Order 15911 (issued March 4, 1999).

⁶⁶⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 389.

⁶⁶⁷ *Id.* See PUC RI No. 22 Tariff, Section 10.5.1. As a condition of the FCC's approval of the merger between Bell Atlantic and GTE, VZ-RI offers a special promotional discount of 32%, rather than the Commission-ordered discount rate, on resold residence lines ordered after the Merger Close Date and during an "Offering Window." See FCC's Order in CC Docket No. 98-184 and ¶¶ 36-38 of associated Appendix D; Verizon RI 271 Filing – Checklist Declaration, ¶ 390.

⁶⁶⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 383; Verizon's Post-Hearing Brief, p. 116. The RIPUC has requested that when VZ-RI files the aforementioned tariff with the FCC, that it also file a letter with the RIPUC along with a copy of the tariff filed with the FCC.

B. Resale Performance

VZ-RI represented that it was provisioning resale service in the commercial volumes demanded by CLECs. As of July 2001, VZ-RI reported that it was providing approximately 25,957 resold lines to Resellers.⁶⁶⁹

VZ-RI maintained that its C2C reports for March, April, and May 2001 showed that the Company is providing resold services at parity with VZ-RI's retail operations. VZ-RI also provided testimony at the October 11, 2001 hearing regarding its C2C Performance Reports for June, July and August 2001. VZ-RI also presented testimony, both in its Checklist Declarations and at the hearing, concerning its apparent questionable performance results for certain resale metrics.⁶⁷⁰

The resale measurements are divided into four major categories: 1) Pre-Ordering, 2) Ordering, 3) Provisioning, and 4) Maintenance. VZ-RI argued that it generally provisions resale services at parity with retail. VZ-RI stated that it met the parity performance standards for Pre-Ordering.

VZ-RI pointed out that it met the vast majority of the Ordering performance standards for March through August 2001. One metric that VZ-RI was consistently unable to achieve was OR 5-03 (% Flow Through – Achieved – POTS & Specials). Ms. Canny testified that even here, however, performance from April through July 2001 was above 90% and in August 2001, VZ-RI met the 95% benchmark.⁶⁷¹ VZ-RI also noted that this metric was not being achieved in New York or Massachusetts at the time the FCC approved those § 271 applications, and was only achieved by VZ-NY for the first

⁶⁶⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 385; Tr. 10/11/01, at 41.

⁶⁷⁰ Verizon RI 271 Filing – Checklist Declaration, ¶¶ 399-402; Tr. 10/11/01, pp. 27-53. See infra notes 224-237 and accompanying text.

time this summer.⁶⁷² Ms. Canny explained that CLEC orders that do not flow through must be processed manually by Verizon; however, Verizon is not relieved of its obligation to confirm orders and meet due dates.⁶⁷³ Verizon noted that it has taken various steps to improve the flow through of CLEC orders and that those efforts are producing results in Rhode Island as evidenced by the improved flow through results for August 2001.⁶⁷⁴

VZ-RI represented that it met the majority of most provisioning metrics: Average Delay Days – Total for POTS (PR-4-02) and % Completed within 5 Days, 1 to 5 lines – No Dispatch and Dispatch (PR-3-08 and PR-3-09).⁶⁷⁵ Where there were mixed results, according to VZ-RI, two issues accounted for the seemingly better retail results for the provisioning metrics in question. First, comparisons between the CLEC and Verizon retail mix of orders generally showed that a greater percentage of CLEC orders were for business customers that tend to be more complex and, therefore, more time-consuming to provision than residential customer orders.⁶⁷⁶ VZ-RI's retail orders, on the other hand, are typically for residential customers who tend to order features that could be provisioned in one day.⁶⁷⁷ Second, resellers typically request provisioning intervals that are longer than the intervals provided to retail customers.⁶⁷⁸

⁶⁷¹ Tr. 10/11/01, at 30; VZ-RI's Response to Record Request No. 1, Attachment 5 update, p. 11. VZ-RI's witness also testified that during the months of March through July 2001, there was steady improvement in VZ-RI's performance.

⁶⁷² Tr. 10/11/01, at 30.

⁶⁷³ *Id.*

⁶⁷⁴ Verizon's Post Hearing Brief, p. 117.

⁶⁷⁵ VZ-RI's Response to Record Request No. 1, Attachment 5 update, p. 11. VZ-RI also testified that the during the months of June, July and August 2001, the measurement for PR 3-09 was 98.65 percent for VZ-RI retail and 98.21 percent for VZ-RI wholesale. Therefore, while out of parity, the percentage was very close. VZ-RI theorized that the metric may not be measuring the right standard if such close percentages could still produce an out-of-parity result. Tr. 10/11/01, pp. 32-33.

⁶⁷⁶ Verizon RI 271 Filing – Checklist Declaration, ¶ 401; Tr. 10/11/01, pp. 31-32, 51.

⁶⁷⁷ Verizon RI 271 Filing – Checklist Declaration, ¶ 401; Tr. 10/11/01, pp. 32, 51.

⁶⁷⁸ Verizon RI 271 Filing – Checklist Declaration, ¶ 401; Tr. 10/11/01, pp. 32, 51.

VZ-RI stated that its repair and maintenance performance for resold services is generally at parity with its retail performance, as demonstrated by the C2C results for the March through August 2001 period.⁶⁷⁹ VZ-RI noted that it met the parity performance standard for almost every PAP metric from March through May, providing better service to resellers than to its own retail customers in important measures such as Network Trouble Report Rate (MR 2-02), Missed Repair Appointments (MR-3-01 and MR-3-02), and % Out of Service > 24 Hours (MR-4-08) for POTS Loops.⁶⁸⁰ While the Mean Time to Repair (MR-4-01) for Specials is somewhat longer for resellers than for retail in the three-month average, a VZ-RI witness explained that the results were impacted by a single ticket in March that skewed the results for that month.⁶⁸¹ VZ-RI pointed out that from June through August, VZ-RI's repair and maintenance performance was virtually flawless; during the three-month period only one metric out of the eleven measured each month failed.⁶⁸² VZ-RI argued that these performance results clearly demonstrate that it provides repair and maintenance services to Resellers in Rhode Island in substantially the same time and manner as it provides service to retail customers.⁶⁸³

3. CLEC Comments

No CLEC filed any Declarations or comments regarding Checklist Item 14. However, at the hearing, WorldCom posed several questions regarding resale of DSL over resold voice lines.⁶⁸⁴ In response to queries by WorldCom and the RIPUC, VZ-RI indicated that it would make resale of DSL available in Rhode Island after filing an

⁶⁷⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 402; Verizon's Post-Hearing Brief, p. 119; Verizon's Response to Record Request No. 1, Attachment 5 update, p. 12.

⁶⁸⁰ Verizon RI 271 Filing – Checklist Declaration, ¶ 402.

⁶⁸¹ Verizon RI 271 Filing – Checklist Declaration, ¶ 402; Tr. 10/11/01, pp. 51-2.

⁶⁸² VZ-RI's Response to Record Request No. 1, Attachment 5 update, p. 12.

⁶⁸³ Verizon's Post-Hearing Brief, p. 119.

⁶⁸⁴ Tr. 10/11/01, pp. 57-62.

amendment to VADI's federal tariff regarding this issue. VZ-RI explained that the terms and conditions would be the same as those currently in place in Connecticut and Pennsylvania, though without the cap on the number of orders that could be processed each day. VZ-RI also noted that "Verizon's federally tariffed retail DSL service offering is currently available to CLECs for resale at a wholesale discount."⁶⁸⁵

4. RIDPUC Comments

The RIDPUC noted that VZ-RI claimed to provision resold services in substantially the same time and manner and at an acceptable level of quality as it provides to itself. The RIDPUC agreed that VZ-RI was demonstrating that it was providing resale service to its competitors in a timely manner. The RIDPUC recommended the RIPUC make a finding of compliance with Checklist Item 14.⁶⁸⁶

5. RIPUC Findings and Recommendation

We find VZ-RI to be in compliance with the requirements of Checklist Item 14. We note that VZ-RI provides retail telecommunications for resale at wholesale discounts pursuant to interconnections agreement and tariff. Also, VZ-RI stated it would shortly file an amendment to its federal tariff to make DSL available for resale upon similar terms and conditions as in Pennsylvania and Connecticut. It is our understanding that VZ-RI has made this filing with the FCC.⁶⁸⁷ In addition, we point out as of July 2001, VZ-RI reported it provides approximately 25,957 resold lines to Resellers.

⁶⁸⁵ VZ-RI's Response to Record Request No. 10.

⁶⁸⁶ RIDPUC's Exhibit 1, Appendix A, pp. 12-13; Tr. 10/11/01, p. 220. In response to questions from the RIPUC, the RIDPUC's expert agreed that allowing a reseller to resell DSL would further competition in Rhode Island. However, in response to RIPUC questions regarding the resale of voicemail, the RIDPUC's expert testified that it was his position that voicemail, as an unregulated service, should be provided by a CLEC, rather than by the ILEC for resale. Tr. 10/11/01, pp. 221-23.

⁶⁸⁷ On or about December 7, 2001, VZ-RI filed a copy of Verizon FCC Tariff No. 1 which provides for DSL Over Resold Lines ("DRL") in Rhode Island.

As for metric performance, we find that VZ-RI's performance from March through August 2001 was good. From March through August 2001, VZ-RI met 79% to 88% of Resale PAP metrics which had activity. In comparison, of the Resale PAP metrics which had activity and were not under development or qualified for the small sample exemption, VZ-MA met 83% to 94% from March through July 2000.⁶⁸⁸ We find that during the period March through August 2001, VZ-RI's performance was comparable to VZ-MA's performance from March through July 2001.⁶⁸⁹

As a whole, VZ-RI's performance in Resale is good, and only in a few instances was VZ-RI's performance unsatisfactory or questionable for a majority of the six months under review from March to August 2001. In the area of ordering metrics, for OR-5-03 (% Flow Through-Achieved-POTS – (Specials)), we note that this metric was not being achieved in Massachusetts or New York at the time of their respective § 271 applications and was met for the first time in New York this summer. Also, we recognize that VZ-RI has taken various steps to improve the flow through of CLEC orders as demonstrated by the satisfactory results of August 2001.⁶⁹⁰ In addition, to encourage VZ-RI to consistently meet this metric, the Rhode Island PAP increased the potential dollars-at-risk for UNE Flow-Through if VZ-RI fails to meet this metric.⁶⁹¹

In the area of provisioning metrics, VZ-RI had difficulty satisfying PR-3-08 (% completed within 5 days (1-5 lines-No Dispatch)-POTS), and PR-3-09 (% completed within 5 days (1-5 lines-Dispatch)-POTS), we acknowledge VZ-RI's explanation that the

⁶⁸⁸ Compare Verizon-Rhode Island 271 Checklist Declaration, Attachment 5, p. 13 to VZ-RI's Response to Record Request No. 2 (VZ-MA's PAP metrics).

⁶⁸⁹ Id.

⁶⁹⁰ Tr. 10/11/01, p. 30.

⁶⁹¹ RIPUC Order No. 16809 (issued December 3, 2001), p. 40.

disparity between retail and wholesale results are affected by the types of orders made.⁶⁹² VZ-RI explained that while retail orders are typically straightforward residential orders, CLEC orders tend to be more complex and time-consuming.⁶⁹³ As for PR-4-02 (Average Delay Days-Total-POTS), VZ-RI's questionable performance here presumably relates to small size of the sample.

Based on the totality of the circumstances, VZ-RI's performance in PAP metrics for Resale is generally good and is comparable to VZ-MA's performance during the period in 2000 prior to its § 271 filing in Massachusetts. We find that VZ-RI is providing telecommunications services for resale without discriminatory conditions and provides non-discriminatory service to Resellers to support the resale of VZ-RI's retail telecommunications services in compliance with Checklist Item 14. Accordingly, we recommend the FCC find that VZ-RI has complied with the requirements of this checklist item.

VI. PUBLIC INTEREST ANALYSIS

A. Applicable Law

In addition to determining whether VZ-RI has satisfied the 14-point competitive checklist of the Act, the FCC must make an independent determination as to whether VZ-RI's "requested authorization is consistent with the public interest, convenience, and necessity."⁶⁹⁴

The FCC has previously indicated that in reaching its "overriding goal" of ensuring that the "market is open to competition," it will look at whether there are any "unusual circumstances that would make entry contrary to the public interest under the

⁶⁹² Tr. 10/11/01, pp. 31-32.

⁶⁹³ Id.

particular circumstances of this application”...and “whether [the FCC] has sufficient assurance that the market will remain open after grant of this application.”⁶⁹⁵

B. Party Comments

No party provided any comments during the course of the Rhode Island 271 proceeding directly related to whether or not approval of VZ-RI’s application to provide interLATA long distance service in Rhode Island is in the public interest. WorldCom did allege that the market was not open to competition based on the level of competition currently existing in Rhode Island and Massachusetts.⁶⁹⁶ However, VZ-RI pointed out that the RIDPUC witness testified that the local telecommunications market in Rhode Island is “irreversibly open to competition in the manner that the Commission should recommend 271 approval.”⁶⁹⁷

C. RIPUC Recommendation

We believe that approval of VZ-RI’s 271 application by the FCC is in the public interest. VZ-RI has demonstrated that the local exchange market is irreversibly open to local competition. Specifically, we have found that VZ-RI has met the requirements of each of the 14 competitive checklist items. Furthermore, in RIPUC Docket No. 3256, we ordered VZ-RI to adopt a Performance Assurance Plan modeled after the Performance Assurance Plan adopted by the Massachusetts DTE, but modified to reflect the specific concerns of CLECs doing business in Rhode Island. We believe that the Rhode Island PAP provides sufficient financial incentive to prevent VZ-RI from backsliding once it gains § 271 approval from the FCC.

⁶⁹⁴ 47 U.S.C. § 271(d)(3)(C).

⁶⁹⁵ Massachusetts Order, ¶ 233.

⁶⁹⁶ Post-Hearing Comments of WorldCom, p. 9 (emphasis added).

⁶⁹⁷ Verizon’s Post-Hearing Brief, p. 2, quoting Tr. 10/15/01, p. 100.

1. Competition in the Local Exchange Market

We note that as of July 2001, VZ-RI had approximately 46,710 local interconnection trunks in place with 15 CLECs. In addition, through September 2001, VZ-RI had provided 23 CLECs with 214 physical collocation arrangements in 26 central offices. In addition, Cox makes local telephone service available to at least 75% of the homes in Rhode Island.⁶⁹⁸ We also note that by the end of September 2001, CLECs in Rhode Island were serving both commercial and residential customers.⁶⁹⁹

We note that in addition to facilities-based competition, CLECs are also providing service through resale and UNEs. As of July 2001, VZ-RI was providing approximately 25,500 stand-alone UNE loops and approximately 3,800 loops as part of UNE-P.⁷⁰⁰

With regard to WorldCom's allegation that the market is not open in Rhode Island or Massachusetts because of the level of actual competition, it is not the RIPUC's place to comment on the levels of competition in Massachusetts. The fact is, the FCC has already found that the Massachusetts market is open to competition.⁷⁰¹ Furthermore, with regard to Rhode Island, the FCC has also indicated that, "[g]iven an affirmative showing that a market is open and the competitive checklist has been satisfied, low customer volumes in and of themselves do not undermine that showing."⁷⁰²

Finally, we emphasize that VZ-RI's two major competitors in Rhode Island, Cox and Conversent, either did not file comments or withdrew their comments in this proceeding because they have been able to work out their respective issues with VZ-RI. Neither of these CLECs contended that the market is not open to competition in Rhode

⁶⁹⁸ Verizon's Post-Hearing Brief, pp. 13, 20-21.

⁶⁹⁹ Verizon RI 271 Filing – Checklist Declaration, ¶ 74.

⁷⁰⁰ *Id.* at 44.

⁷⁰¹ See Massachusetts Order, ¶¶ 2, 253.

⁷⁰² *Id.* at ¶235.

Island, nor in the end, did they challenge VZ-RI's compliance with any of the 14-point competitive checklist items. We believe that the good faith VZ-RI has shown through its business dealings with Cox and Conversent, both prior to and during these proceedings has benefited the residential and commercial customers of Rhode Island.

2. Assurance of Future Compliance

In RIPUC Docket No. 3195, we established extensive performance reporting requirements nearly identical to the C2C Performance Guidelines adopted in New York and Massachusetts. These C2C Performance Guidelines will allow us to monitor all aspects of VZ-RI's wholesale performance to ensure that CLECs are afforded parity with VZ-RI's retail operations and are provided with a meaningful opportunity to compete in Rhode Island.

In Docket No. 3256, we adopted a self-executing Rhode Island PAP that is modeled on the plans in effect in New York and Massachusetts. The Rhode Island PAP places 39% of VZ-RI's annual net return at risk.⁷⁰³ This amount at risk will provide VZ-RI with a strong financial incentive to maintain the quality of its wholesale service.

3. Conclusion

In our opinion, VZ-RI's entry into the long-distance market in Rhode Island will more than likely benefit Rhode Island consumers through rate reductions. The local telecommunications market in Rhode Island is open for competition, as evidenced by the high percentage of CLEC lines in Rhode Island compared to other states at the time of their Section 271 approval. The local market will remain open because of the Rhode Island PAP, the C2C Performance Guidelines and our continuing scrutiny. Cox and

⁷⁰³ Any penalties paid by VZ-RI under the Rhode Island PAP will not be recoverable from ratepayers through its Price Regulation Successor Plan, or otherwise.

Conversent have led the charge into the local telecommunications market. If other CLECs do not enter the market, it is by their own choice and not due to some barrier erected by VZ-RI. Accordingly, we recommend that the FCC allow VZ-RI to enter the long-distance market and bring the benefits of additional competition to Rhode Island consumers.

Albeit this recommendation has been issued with an order number, it is not the intention of the RIPUC to treat it as an order. The order number is included exclusively for record keeping purposes.

(16815)

EFFECTIVE AT WARWICK, RHODE ISLAND, ON NOVEMBER 15, 2001,
PURSUANT TO OPEN MEETING DECISION. WRITTEN REPORT AND
RECOMMENDATION ISSUED ON DECEMBER 14, 2001.

RHODE ISLAND
PUBLIC UTILITIES COMMISSION

Elia Germani, Chairman

Kate F. Racine, Commissioner

Brenda K. Gaynor, Commissioner

I. INTRODUCTION.....	1
II. APPLICABLE LAW	2
III. PROCEDURAL HISTORY.....	4
IV. VZ-RI COMPLIANCE WITH § 271(C)(1)(A) - PRESENCE OF FACILITIES- BASED COMPETITION.....	8
A. APPLICABLE LAW.....	8
B. VZ-RI'S POSITION	9
C. CLECs' COMMENTS	9
D. RIDPUC'S POSITION	9
E. RIPUC FINDINGS AND RECOMMENDATION	9
V. CHECKLIST COMPLIANCE.....	10
A. CHECKLIST ITEM 1 – INTERCONNECTION	11
1. APPLICABLE LAW.....	11
2. VZ-RI'S POSITION	13
A. Interconnection Generally.....	13
B. Interconnection Trunking.....	14
C. Collocation.....	20
3. CLEC COMMENTS	30
4. RIDPUC'S POSITION	31
5. VZ-RI'S REBUTTAL	32
6. RIPUC FINDINGS AND RECOMMENDATION	33
B. CHECKLIST ITEM 2 – NONDISCRIMINATORY ACCESS TO NETWORK ELEMENTS AND OSS ANALYSIS	35
1. APPLICABLE LAW – NONDISCRIMINATORY ACCESS	35
2. VZ-RI'S POSITION – NONDISCRIMINATORY ACCESS TO UNES	35
A. Access to UNES.....	36
B. VZ-RI-Provided UNE Combinations.....	37
C. UNE Pricing	38
3. CLEC COMMENTS – NONDISCRIMINATORY ACCESS TO UNES.....	40
A. WorldCom.....	40
B. AT&T.....	41
4. RIDPUC COMMENTS – NONDISCRIMINATORY ACCESS TO UNES	41
5. VZ-RI'S REBUTTAL – NONDISCRIMINATORY ACCESS TO UNES	42
6. RIPUC FINDINGS AND RECOMMENDATION – NONDISCRIMINATORY ACCESS TO UNES	43
7. APPLICABLE LAW – OSS ANALYSIS	45
8. VZ-RI'S POSITION – OSS ANALYSIS.....	46
A. Overall OSS Compliance with the Act	46
B. Independent Third-Party Testing	48
C. OSS Overview	55
D. Pre-Order OSS	57
E. Ordering OSS.....	60
F. Provisioning OSS	70
G. Maintenance and Repair OSS	71
H. Billing OSS	74
I. CLEC Support.....	78
J. Training and Assistance for CLECs.....	82
9. CLEC COMMENTS – OSS ANALYSIS.....	86
A. CTC.....	86
B. WorldCom.....	87
10. RIDPUC COMMENTS – OSS ANALYSIS.....	88
11. VZ-RI'S REBUTTAL – OSS ANALYSIS	89
A. CTC Billing Claims.....	89
B. WorldCom.....	90
C. Implementation of RIPUC's April 2001 Rate Order	90
12. RIPUC FINDINGS – OSS ANALYSIS.....	92

C. CHECKLIST ITEM 3 – POLES, DUCTS, CONDUITS AND RIGHT-OF-WAY ...	95
1. APPLICABLE LAW.....	95
2. VZ-RI'S POSITION	96
3. CLEC COMMENTS	101
4. RIDPUC COMMENTS.....	101
5. RIPUC FINDINGS AND RECOMMENDATION	102
D. CHECKLIST ITEM 4 – LOCAL LOOP TRANSMISSION FROM THE CENTRAL OFFICE TO THE CUSTOMER'S PREMISES, UNBUNDLED FROM LOCAL SWITCHING AND OTHER SERVICES	102
1. APPLICABLE LAW.....	102
2. VZ-RI'S POSITION	103
A. POTS Loops and UNE-P	105
B. Hot Cuts	108
C. Digital Loops.....	109
D. Unbundled Sub-loops.....	117
E. Line Sharing	119
F. Line Splitting.....	123
G. High Capacity Loops.....	125
3. CLEC COMMENTS	128
4. RIDPUC COMMENTS.....	129
5. VZ-RI'S REBUTTAL	130
6. RIPUC FINDINGS AND RECOMMENDATION	133
E. CHECKLIST ITEM 5 – LOCAL TRANSPORT FROM THE TRUNK SIDE OF A WIRELINE LOCAL EXCHANGE CARRIER SWITCH UNBUNDLED FROM SWITCHING OR OTHER SERVICES.....	136
1. APPLICABLE LAW.....	136
2. VZ-RI'S POSITION	137
A. Dedicated Transport	137
B. Shared Transport	139
C. Dark Fiber	140
D. Expanded Extended Loops.....	141
3. CLEC COMMENTS	142
4. RIDPUC COMMENTS.....	142
5. VZ-RI'S REBUTTAL	143
6. RIPUC FINDINGS AND RECOMMENDATION	144
F. CHECKLIST ITEM 6 – LOCAL SWITCHING UNBUNDLED FROM TRANSPORT, LOCAL LOOP TRANSMISSION, OR OTHER SERVICES	145
1. APPLICABLE LAW.....	145
2. VZ-RI'S POSITION	146
A. Nondiscriminatory Access to Local Switching	146
B. Provisioning of unbundled local switching	149
C. Provisioning of unbundled tandem switching.....	151
D. Access to UNE switching.....	152
3. CLEC COMMENTS	153
4. RIDPUC COMMENTS.....	153
5. RIPUC FINDINGS AND RECOMMENDATION	153
G. CHECKLIST ITEM 7 – 911/E911, DIRECTORY ASSISTANCE, OPERATOR CALL COMPLETION SERVICES.....	154
1. APPLICABLE LAW.....	154
2. VZ-RI'S POSITION	155
A. 911/E911 Access.....	156
B. Directory Assistance Services.....	157
C. Operator Call Completion Services	159
3. CLEC COMMENTS	161
4. RIDPUC'S POSITION	161

5. RIPUC FINDINGS AND RECOMMENDATION	162
H. CHECKLIST ITEM 8 – WHITE PAGES DIRECTORY LISTINGS	162
1. APPLICABLE LAW	162
2. VZ-RI'S POSITION	163
3. CLEC COMMENTS	164
4. RIDPUC'S POSITION	164
5. RIPUC FINDINGS AND RECOMMENDATION	164
I. CHECKLIST ITEM 9 – ACCESS TO TELEPHONE NUMBERS	165
1. APPLICABLE LAW	165
2. VZ-RI'S POSITION	165
3. CLEC COMMENTS	166
4. RIDPUC'S POSITION	166
5. RIPUC FINDINGS AND RECOMMENDATION	166
J. CHECKLIST ITEM 10 – DATABASES AND SIGNALING	166
1. APPLICABLE LAW	166
2. VZ-RI'S POSITION	167
A. Signaling	167
B. Call-Related Databases	169
C. Service Management Systems	170
3. CLEC COMMENTS	170
4. RIDPUC'S POSITION	170
5. RIPUC FINDINGS AND RECOMMENDATION	171
K. CHECKLIST ITEM 11 – LOCAL NUMBER PORTABILITY	172
1. APPLICABLE LAW	172
2. VZ-RI'S POSITION	172
3. CLEC COMMENTS	173
4. RIDPUC COMMENTS	173
5. RIPUC FINDINGS AND RECOMMENDATION	174
L. CHECKLIST ITEM 12 – LOCAL DIALING PARITY	174
1. APPLICABLE LAW	174
2. VZ-RI'S POSITION	175
3. CLEC COMMENTS	176
4. RIDPUC COMMENTS	177
5. RIPUC FINDINGS AND RECOMMENDATION	177
M. CHECKLIST ITEM 13 – RECIPROCAL COMPENSATION	177
1. APPLICABLE LAW	177
2. VZ-RI'S POSITION	179
3. CLEC COMMENTS	180
4. RIDPUC COMMENTS	180
5. RIPUC FINDINGS AND RECOMMENDATION	180
N. CHECKLIST ITEM 14 – RESALE	180
1. APPLICABLE LAW	180
2. VZ-RI'S POSITION	181
A. Resold Services Generally	181
B. Resale Performance	183
3. CLEC COMMENTS	185
4. RIDPUC COMMENTS	186
5. RIPUC FINDINGS AND RECOMMENDATION	186
VI. PUBLIC INTEREST ANALYSIS	188
A. APPLICABLE LAW	188
B. PARTY COMMENTS	189
C. RIPUC RECOMMENDATION	189
1. Competition in the Local Exchange Market	190
2. Assurance of Future Compliance	191
3. Conclusion	191

